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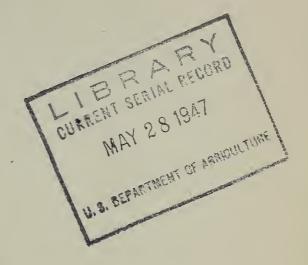


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UNITED STATES DEPARTMENT OF AGRICULTURE.

PRODUCTION AND MARKETING ADMINISTRATION

DAIRY BRANCH



SUMMARIES

of

FLUID MILK MARKETING ORDERS,

April 1, 1947 ×

These summaries are not intended for use where complete information with respect to a fluid milk marketing order is required. The only official text of an order is that which is published in the Federal Register. No claim is made with respect to the completeness or freedom from error of these summaries and they are not to be used in any proceeding before the Secretary, under a particular order or under the Agricultural Marketing Agreement Act of 1937.

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^{*} Marketing agreement

INTRODUCTION

These summaries are prepared at the request of many persons in the industry, for use as a ready reference to some of the major provisions of fluid milk marketing programs issued under the Agricultural Marketing Agreement Act of 1937. Some degree of technical accuracy has been sacrificed in the interest of brevity. The summaries are not intended for use where complete information with respect to a particular provision or order is required. In such cases, the order itself as published in the Federal Register should be consulted.

As of April 1, 1947, there were in operation 29 fluid milk marketing programs which had been issued under the terms of the Agricultural Marketing Agreement Act of 1937. The markets in which these programs were operating, the estimated number of producers, and the estimated annual volume of pooled milk for each of them, is shown in table 1.

In order to facilitate comparison of the orders, the summaries have been arranged in a uniform outline. A list of the headings used in the outline, with some explanatory comments on the interpretation of the material included under these headings, is given below:

(1) Marketing Area: For some of the orders it has been possible to list all the communities or counties which comprise the marketing area. In the cases of those orders where the number of places listed is quite long, or where the boundaries are described in the order without a specific listing of places, the description of the marketing area is abbreviated in the summary.

. . . .

- (2) Handler: This is one of the key definitions in each order, as it describes the persons who are subject to its regulatory provisions. The summaries omit reference to the handler status of a cooperative association with respect to the milk of its members which it causes to be delivered to a handler's plant, or in some cases to non-handlers' plants.
- (3) Producer: The identification of dairy farmers as milk producers who must be paid in accordance with the terms of the orders is usually related to certification or approval by health authorities. In some markets a single health authority has jurisdiction over the entire area. In others, which comprise a number of communities, several health authorities may have jurisdiction over

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different parts of the marketing area and a dairy farmer is identified as a producer, if he is permitted by the health authority concerned to supply milk for fluid consumption to any part of the marketing area.

- (4) <u>Classification</u>: The term "unaccounted-for milk", as used in the summaries, applies to all milk for which a handler is unable to account and which is not used for the products and purposes specified for the several classes and not allowed as plant shrinkage (loss connected with the receiving and processing of milk).
- (5) Class Prices: The standard butterfat test at which milk is priced is indicated in parentheses immediately following this heading for each of the order summaries. In the case of those orders where skim milk and butterfat are priced separately, this fact is indicated.

The pricing formulas are considerably abbreviated, but are punctuated so as to permit a fairly accurate interpretation of the formulas as written in the orders. For comparative purposes, table 2 summarizes the various methods used in the orders for computing Class I prices.

(6) <u>Butterfat Differentials</u>: The differentials paid by handlers are shown under the sub-head "Class Prices". In cases where handlers pay different differentials for milk used in different classes, several sub-heads are used.

The butterfat differentials paid by handlers are applied to each one-tenth of one percent variation in butterfat in milk received from producers from the standard test specified in the order, except in certain markets (Clinton, Ft. Wayne, Minneapolis-St.Paul, Toledo, and Tri-State), where the butterfat differential paid by handlers applies to the variation from the standard test of butterfat as used in the products sold in each class.

The butterfat differential received by each producer as an adjustment to the uniform price applies to each one-tenth of one percent variation in the butterfat test of milk shipped by such producer from the standard test of milk specified in the order on which the uniform plant price is based.

(7) Location Differentials:

(8) <u>Method of Accounting for Milk</u>: There is described under this heading the method by which producer milk is accounted for in each class based on the handlers' utilization.

- (9) Type of Pool: The "new producer clause" mentioned under this heading is a provision by which dairy farmers supplying the market for the first time are paid for all of their milk at the lowest class price for a period beginning with the date of their first delivery and including two full calendar months following such first delivery to a handler.
- (10) <u>Interhandler Transfers</u>: Under this head is described the procedure for classifying milk (in some cases milk components, or milk products), disposed of by a handler to another handler.
- (11) Outside Purchases: Under this head is described the procedure for classifying milk (in some cases milk components or milk products), received from sources other than producers or other handlers.
- (12) Outside Sales: Under this head is described the procedure for classifying milk (in some cases milk components or milk products), disposed of to nonhandlers and in some cases to consumers in other markets. Any special provision with respect to the pricing of milk sold outside the marketing area is also indicated.

(13) Producer-handlers:

- (14) Expense of Administration: The maximum rate of assessment which handlers are required to pay to cover the cost of administering the order is here indicated. In most markets the assessment is paid upon all milk received from producers, including the handler's own production. In certain markets, however, the assessment is paid on milk used only in certain classes. Another variation with respect to the basis of the assessment is the requirement in certain markets that the assessments must be paid upon milk received from sources other than producers or other handlers.
 - (15) Special Producer Provisions:
 - (16) Special Handler Provisions:

Table 1. Estimated number of producers and estimated amount of pooled milk, in fluid milk markets under fluid milk marketing programs, June 1, 1945 - May 31, 1946

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	:butter=:	of pro-	:Amount of :
: Market	:fat :: :	ducers	:pooled milk :
•	:test :		:
	:Percent	Number.	:1,000 pounds:
	:		:
Boston, Mass.	: 3.7 :	13,331	: 1,270,896 :
Chicago, Ill.	: 3.5 :		: 2,619,912 :
Cincinnati, Ohio	: 4.0 :		: 285,828 :
Cleveland, Ohio 1/	: : :	, ,	:
Clinton, Iowa	: 3.5 :	188	: 12,775 :
			1
Columbus, Ohio 2/	: 4.0 :	1,977	: 54,745 :
Dayton-Springfield, Ohio 3/	: 4.0 :		: 158,715 :
Dubuque, Iowa	· 3.5	- 0 -	
Duluth-Superior, MinnWis.	: 4.0 ;		83,598
Fall River, Mass .	3.7:	•	- * · · ·
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Fort Wayne, Ind.	4: ₀ 0	794	£ 52,134 :
Kansas City, KansMo.	; 3.8 ;		
	· 3.8 ;		: 17,322 :
La Forte County, Ind. Louisville, Ky.	• 3.0 °	, ,	
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Minneapolis-St.Paul, Minn, 4/	3 25 1	•	: 507,384 :
New Orleans, Da.	4.0:) / /	
New York, N. Y.	3.5 :		: 5,733,150 :
Omaha-Council Bluffs, NebrIowa	_		: 127,835 :
Philadelphia, Pa.	4.0	0,020	: 918,135 :
Oved Cities Till Town) E	7 0%0	102 287
Quad Cities, IllIowa	3.5:	1,262	
St. Joseph County, Ind.	4.0 :	627	
St. Louis, Mo.	3.5 :	- , ,	
Sioux City, Iowa	3.5:	• *	: 29,093 :
Suburban Chicago, Ill.	3.5	3,093	: 280,219 :
Tolodo Okio) <u>"</u>	2 740	12/1 0/10
Toledo, Ohio	3.5:	_ / .	: 134,940 :
Topeka, Kans.	5/:		
Tri-State, (Ky., O,, W.Va.) 6/	3.5:		72,034
Washington, D. C7/	4.0 :		: 390,563 :
Wichita, Kans.		ت بالنظام 1946 و مواند والبعدة مي من مواند ويوري ووجود بمرود	: 41,751 :
Total			:13,979,141 :
1/ Effective August	1. 1946		

Effective August 1, 1946

^{3.5} percent milk equivalent

Effective August 1, 1945

Terminated March 31, 1946

Table 2. Method of determining Class I prices in Federal order markets, April 1,1947, (without regard: to temporary suspensions of pricing provisions).

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Management and the second state of the second	· : Fixed		Form	ulas	
(x,y,y,y,z)	Price	÷ · : 18 :	3 Other	Butter -	: Butter -
Market		: : Chicago			•
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	· : ment	: eries	: plants :		
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Chicago	: :	. ; X	\$ 3	X .	Х
Cincinnati -	· •	• •	; X :	X	
Cleveland		· : Х	:	X	Χ,
Clinton	: 8	: 3 , 1	: X		X
#	: :	;	•		:
Columbus		X	* 8	X X	
Dayton-Springfield	•	: X:		X :	X x
Dubuque	: *	÷ .	. X	. ;	X
Duluth-Superior	:	: : .	• , s	\mathbf{X}_{Σ}	- 4
Fall River	: 8_	; :	2 8	X	
±	: :	: \$			
Fort Wayne .	t. :	· •	* X	X	X
Kansas City	: : .	: * X		X	
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Louisville	: :	: X	: X :	\mathbf{X}_{1} , \mathbf{X}_{2}	
Lowell-Lawrence	8	1 0 °	3 . 3	X :	
1 1 Maries 1980 — in Marie 1984, 1984 (1984 1984) (1984 1984 1984 1984 1984 1984 1984 1984		• 6	5 \$		
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New Orleans	*	· '3 X	*	X, ,	· X
New York	: :	; ;	5 .	X . :	
Omaha:	: :	1	3 X 2	X	3
Philadelphia	: : X		: :		
· ·	: :	. 8	Š 3		
Quad Cities	: :	; ;	: X :		X
St. Joseph County		. : 2/ X·	* X *	, X	. X,
St. Louis		:_3/ X	.	Х .	
Sioux City	; <u> </u>	3 3	s X s		
Suburban Chicago	;	· : X ·	\$	X :	X
	; 2		9 9		
Toledo		* X .	: X ;	X	· . X
Toledo Tri-State	• • • • • • • • • • • • • • • • • • •	* X X :	: X ;	X X	X X

^{. 1/} Plus 3 local plants

The Art to the State of the

^{2/} Used if any of local manufacturing plants fail to report

^{3/} Plus 5 local plants

FEDERAL MILK ORDER NO. 3

St. Louis, Missouri

Marketing Area:

Missouri - Cities of St. Louis, Kirkwood, and Valley Park; Townships of St. Ferdinand, Normandy, Clayton, Jefferson, Lemay, and Gravois in St. Louis County.

Illinois - Scott Field Military Reservation, and Townships of East St. Louis, Centreville, Canteen, and Stites in St. Clair County.

Handler:

Person who receives milk which is disposed of as fluid milk in the marketing area.

Producer:

Ferson who produces Grade A or Grade B milk, under a dairy farm permit or rating issued by proper health authorities, which is received at a plant from which milk is disposed of as fluid milk in the marketing area.

Classification:

Class I - Fluid milk and unaccounted-for milk.

Class II - Milk products not in Class I and plant shrinkage not in excess of 3 percent of total receipts from producers.

Class Prices (3.5 percent butterfat):

A "basic formula" price is used for both Class I and Class II prices. The "basic formula" price is the higher of:

- (1) Average of prices paid for 3.5 percent milk at 23 specified plants (18 used in Chicago order plus 5 others in Illinois and Missouri):
- (2) Chicago 92-score butter, times 3.5, times 1.2, plus or minus 3.5 cents for each half cent that the average price per pound of nonfat dry milk solids (carlots, spray and roller process, human consumption, f.o.b. manufacturing plants in the Chicago area) is above or below 5.5 cents.

Class I and Class II prices are established by adding the following differentials to the "basic formula" price:

	July thru November	December thru March	April thru June
Class I	\$ 1.10	\$.90	\$.80
Class II	•40	.25	.20

A special price for milk used in making evaporated milk is provided from January through June. This is the average of prices paid for 3.5 percent milk at the 23 plants specified under the "basic formula" price.

Butterfat Differentials:

Class Prices - Chicago 92-score butter, times 1.2, divided by 10.

Producer Price - Same.

Location Differentials:

Class Prices - For milk received at plants outside the marketing area, differentials are as follows:

Within 10 miles 6 cents	
10 to 20 miles	
20 to 30 miles14 cents	
30 to 40 miles	
Each 10-mile: zone thereafteran additional 1 c	ent

At plants where milk is received for manufacturing purposes only, the maximum differential is 15 cents.

Producer Price - Same as above, except that no maximum differential is provided for milk received at manufacturing plants.

Method of Accounting for Milk:

Weight of skim milk and butterfat used in the products of each class.

Type of Pool:

Individual handler, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk or skim milk disposed of by a handler to another handler is Class I and cream so disposed of is Class II to the extent of receiving handler's entire use in such classes. Handlers are permitted to classify differently by submitting written agreement to market administrator.

Outside Purchases:

Ungraded milk from sources other than producers or other handlers, disposed of as fluid milk outside the marketing area, is de ducted from Class I. Remaining outside milk is deducted in series beginning with lowest priced use, except for an amount of milk not used for evaporated milk and not exceeding 5 percent of producer milk, which is left in Class II.

Outside Sales;

Milk and skim milk moved to plant of nonhandler from which fluid milk is distributed is Class I, to extent such nonhandler has fluid milk sales. All milk and skim milk moved more than 110 miles from St. Louis is Class I.

Ungraded milk from outside sources and sold as fluid milk outside the marketing area is unpriced. Other milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Booduber-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to cooperative associations.

A marketing service charge not to exceed 4 cents is deducted for non-members.

FEDERAL MILK ORDER NO. 4

Boston, Massachusetts

Marketing Area:

Boston and 36 cities and towns in metropolitan area.

Handler:

Person who handles milk which is sold as milk or cream in the marketing area.

Producer:

Person who, in conformity with health requirements for the marketing area, produces milk which he distributes or delivers to a handler.

Classification:

Class I - Fluid milk (0.5 to 15.9 percent butterfat), chocolate or flavored (whole or skim) milk, buttermilk, cultured skim milk, and unaccounted-for milk.

<u>Class II</u> - Milk products other than Class I, and shrinkage not in excess of 2 percent of volume handled.

Class Prices (3.7 percent butterfat - f.o.b. 201-210-mile zone):

Class I - The Class I price is related to the value computed pursuant to the following formula: Price per pound of New York 92-score butter, plus 1.8 times the average price per pound of nonfat dry milk solids (carlots, roller process, human consumption and animal feed), minus 7.2 cents.

When the value computed by the above formula is at least 60 cents but less than 65 cents, the April-June Class I price is \$3.45 and the July-March Class I price is \$3.89. For each 5-cent change in the formula value, the Class I price changes by 22 cents.

Class II - Price per 40-quart can of Boston 40-percent cream, divided by 33.48 (use Chicago 92-score butter, times 1.4 if no cream price is available), times 3.7, minus 27 cents, plus an allowance for skim milk value.

The allowance for skim milk value is any plus amount arrived at as follows: (1) Compute the average of carlot quotations per pound of nonfa: roller powder for human consumption and the average of carlot quotations per pound of nonfat roller powder for animal feed; (2) multiply each such average quotation by the applicable percentage indicated for the delivery period in the following table; (3) combine the results; (4) subtract 4 cents; and (5) multiply the remainder by 7.5.

•	Human	Animal
Delivery Period	Food Products	Feed Products
January	100	0
February	100	0
March	50	50
April	50	50
May	25	75
June	. 25	75
July	50	50
August	75	25
September	75	25
October	100	0
November	100	0
December	100	. 0

During months of April, May, June, and July a special allowance is made to handlers for butterfat used in making butter and cheese.

During months of April, May, and June, a special allowance is made to handlers for skim milk used in making casein.

Butterfat Differentials:

<u>Class Prices</u> - Boston 40-percent cream price per 40-quart can, divided by 33.48 (use Chicago 92-score butter times 1.4 if no cream price is available), minus 1.5 cents, divided by 10.

Producer Price - Same.

Location Differentials:

<u>Class Prices</u> - The following is an abbreviated table of differentials in effect on January 1, 1947. The Class I differentials are subject to change if rail tariffs change;

Zone (miles)	Class I (cents per cwt.)	Class II (cents per cwt.)
City Plant 51 - 60 101 - 110 151 - 160 201 - 210 251 - 260 301 - 310 351 - 360 391 and over	\$\begin{aligned} \begin{aligned} \delta & 46 \\ \delta & 11 \\ \delta & 8.5 \\ \delta & 3 \\ 0 \\ - 5.5 \\ - 11 \\ - 12.5 \\ - 13 \end{aligned}	<pre>/ 29 / 5 / 1.5 / 0.5 0 - 0.5 - 1 - 1.5 - 1.5</pre>

<u>Producer Price</u> - Graduated in the same manner as Class I except that producers located within 40 miles of Boston receive premium of 46 cents and producers located in 40 - 80 mile zone receive premium of 23 cents (in neither case may producer price exceed the Class I price).

Handlers may deduct 10 cents where milk is delivered to a city plant located outside the marketing area, between 14 and 40 miles from Boston.

Handlers may also deduct 4 cents at plants beyond 40 miles at which average daily receipts are between 8,500 and 17,000 pounds; 8 cents where average receipts are less than 8,500 pounds.

Method of Accounting for Milk:

Weight of skim milk and butterfat used in the products of each class.

Type of Pool:

Market-wide, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk, flavored milk, skim milk, cultured or flavored skim milk, or buttermilk moved from a regulated plant to any other plant from which Class I milk is distributed in the marketing area, is classified in accordance with its utilization at the plant to which it is moved.

Outside Purchases:

Milk received from producers under the New York order is not pooled under the Boston order. Milk and milk products in fluid form received in all delivery periods except April, May, and June from plants subject to the New York order are classified as follows:

- (1) Milk or flavored milk is considered Class I milk to extent that it is classified in Classes I-A, I-B, or I-C under the New York order, except that the quantity established as Class II milk shall be allocated to Class II milk.
- (2) Skim milk, cultured or flavored skim milk, or buttermilk is considered Class II milk to extent of the corresponding milk product classified as Class II milk at the receiving plant.

Milk and milk products in fluid form received in April, May, June, and July, from plants subject to the New York order, are considered Class II milk.

Outside milk received during a period declared by the market administrator to be an emergency period is not pooled. Emergency milk is allocated to Class II milk to the extent that it is established as used as Class II milk, or to the extent that such handler's Class II milk is in excess of 10 percent of his total supply of milk during the emergency period within the month, whichever is greater. Any remaining quantity of emergency milk is allocated to Class I milk.

Outside Sales:

Milk, flavored milk, skim milk, cultured or flavored skim milk or buttermilk which is moved to a plant from which no Class I milk is distributed in the marketing area, is classified as Class I milk up to the total quantity of milk, or the corresponding milk product so moved, which is utilized as Class I milk at the unregulated plant. If moved again to another such plant, it shall be classified as Class I milk.

Producer-handlers:

A "producer-handler" is defined as any handler who is also a producer and who receives no milk from other producers and who either: (1) Has milk receipts from his own production which

he does not dispose of in bulk and which average less than 1,000 pounds daily; or (2) processes and packages his milk at a plant located on a farm from which he receives at least 25 percent of the total receipts from his own production which he does not dispose of in bulk.

Producer-handlers are exempt from regulatory provisions. Reports may be required by market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2.5 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to cooperative associations.

No marketing service charge is deducted for non-members.

Qualified cooperatives receive 1.5 cents on milk of members plus 5 cents on all milk received at their own plants and sold as Class I to certain types of proprietary handlers.

Special Handler Provisions:

Handlers selling less than 10 percent of their total receipts of milk in Class I are excluded from pooling but must pay into the pool the difference between the Class I and Class II prices on all their Class I milk.

Overdue producer-settlement accounts are increased monthly by one-half of 1 percent.

Handlers of "emergency milk" are subject only to reporting as the market administrator requires.

FEDERAL MILK ORDER NO. 12

Dubuque, Iowa

Mærketing Area;

City of Dubuque, township of Dubuque, and part of the townships of Table Mound and Mosalem in Dubuque County.

Handler:

Person who purchases milk or cream and who disposes of Class I or Class II milk in the marketing area.

Producer:

Person who produces milk which is received at a plant from which milk is disposed of as Class I or Class II in the marketing area.

If the milk is produced in conformity with Dubuque health requirements for milk sold for consumption as milk, the producer is a "graded producer."

Classification:

<u>Class I</u> - Fluid milk, any milk product not specified in Class II or Class III, and unaccounted-for milk.

Class II - Flavored milk, creamed buttermilk, creamed cottage cheese, cream and cream products in fluid form (6 to 18 percent butterfat).

<u>Class III</u> - Butter, cheese other than creamed cottage cheese, evaporated milk, condensed milk, powdered whole milk, ice cream mix, ice cream, and shrinkage not over 3 percent of producer receipts.

Class Prices (3.5 percent butterfat):

A basic formula price is used for both Class I and Class II prices. The basic formula price is the higher of:

(1) Average of prices paid for 3.5 percent milk at the following plants:

Amboy Milk Products Co.
United Milk Products Co.
Borden Co.
Libby, McNeill & Libby Co.
Carnation Milk Co.
Dean Milk Co.
Dean Milk Co.
Borden Co.
Pet Milk Co.

Amboy, Illinois
Argo Fey, Illinois
Dixon, Illinois
Morrison, Illinois
Oregon, Illinois
Pearl City, Illinois
Pecatonica, Illinois
Sterling, Illinois
Schullsburg, Wisconsin

(2) Price per pound of Plymouth (or Chicago) Twins, times 0.4, plus price per pound of Chicago 92-score butter, times 3.9.

Class I - Basic formula price plus 70 cents.

Class II - Basic formula price plus 25 cents.

Class III - Price per pound of Plymouth (or Chicago) Twins, times 2.4, times 3.5%

Butterfat Differentials:

Class Prices - Class III price divided by 35.

Producer Price - Same.

Location Differentials:

None.

Method of Accounting for Milk:

Class I computed on a volume basis plus the 3.5 percent milk equivalent of unaccounted-for butterfat. Class II and Class III computed by converting butterfat used in these classes to 3.5 percent milk equivalent. Class volumes are reconciled with producer receipts by adding to or subtracting from Class III.

Type of Pool:

Market-wide, monthly pool, without base rating plan. New producer clause is provided.

"Graded producers" receive the blended pool price. Other producers receive the Glass III price.

Interhandler Transfers:

Milk moved from one handler's plant to the plant of another handler is Class I and cream so moved is Class II. Handlers are permitted to classify differently by submitting written agreement to market administrator.

Outside Purchases:

Deducted from Class III. Handler pays difference between the price in the class as used and the Class III price unless health regulations were not violated.

Outside Sales:

Milk moving as fluid milk from any handler's plant to a plant of a nonhandler who distributes fluid milk shall be classified as Class I milk and any cream moving as fluid cream to a plant of such nonhandler shall be classified as Class II milk. Wilk or cream moving from a handler's plant to a plant of a nonhandler who does not distribute fluid milk or cream shall be classified as Class III milk.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 4 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 5 cents is deducted for non-members.

FEDERAL MILK ORDER NO. 13

Kansas City, Missouri

Marketing Area:

Missouri - Jackson County and parts of Clay and Platte Counties.

<u>Kansas</u> - Wyandotte County and parts of Johnson and Leavenworth Counties.

Handler:

Person who operates an approved plant from which Class I milk or Class II milk is disposed of in the marketing area.

Producer:

Person who produces milk, under a dairy farm permit or rating issued by the proper health authorities, which milk is, (1) received at a plant approved for the handling of milk for fluid consumption as milk in the marketing area, providing such plant is currently used to handle milk which is disposed of as fluid milk or cream in the marketing area, or (2) caused to be diverted from the farm of such person to an unapproved plant by either a cooperative association or another handler for its own account.

Classification:

Class I - Fluid milk (over 1 percent butterfat) and unaccounted-for milk.

Class II - Cream, flavored milk, creamed cottage cheese, creamed buttermilk, cream products in fluid form (less than 18 percent butterfat), aerated cream, and eggnog.

Class III - Butter, cheese (other than creamed cottage cheese), evaporated milk, condensed milk, ice cream, and powdered whole milk; milk used for starter churning, wholesale baking, and candy making; milk accounted for as salvage from products where the recovery of butterfat is not possible; and shrinkage not over 3 percent of butterfat received (excluding butterfat received from other handlers).

Class Prices (3.8 percent butterfat):

A basic formula price is used for both Class I and Class II prices. The basic formula price is the higher of:

- (1) Average of prices for 3.5 percent milk at 18 specified plants, divided by 3.5, times 3.8 (See plant list for Class III price in Chicago order).
- (2) Price per pound of Chicago 92-score butter, times 3.8, times 1.2, plus or minus 3.5 cents for each half cent variation from 5.5 cents in the carlot price per pound of dry skim milk (human consumption, f.o.b. plants in Chicago area).

Class I - Basic formula price plus 75 cents.

Class II - Basic formula price plus 50 cents.

Class III - .Highest price quoted for ungraded milk of 3.8 percent butterfat at any of the following plants:

Meyer Sanitary Milk Co. Valley Falls, Kansas Franklin Ice Cream Co. Tonganoxie, Kansas Milk Producers' Marketing Co. Kansas City, Kansas

Butterfat Differentials:

Class Prices - Class III price divided by 38.

Producer Price - Price per pound of Chicago 92-score butter, plus 4 cents, divided by 10.

Location Differentials:

Class Prices - Handlers receive a differential based on the distance of the receiving plant (beyond 30 miles) from the city plant on a quantity of milk based upon the past relationship between total Class I and Class II sales and the amounts of milk received at the city plant.

Producer Price - An amount is deducted based on the distance of the receiving plant (beyond 30 miles) from the city plant.

Method of Accounting for Milk:

Class I computed on a volume basis plus the 3.8 percent milk equivalent of any unaccounted-for butterfat. Class II and Class III computed by converting butterfat used in these classes to 3.8 per

cent milk equivalent. Class volumes are reconciled with producer receipts by adding to Class III or subtracting from the lowest class in which the handler has use.

Type of Pool:

Market-wide, monthly pool. No new producer clause. Base rating plan was suspended April 1, 1943.

Twenty cents per hundredweight is deducted from the blended price during May, June, and July. A third of these deductions is returned to producers during each of the months of October, November, and December, each producer sharing on the basis of his own production during these months.

Interhandler Transfers:

Milk or skim milk disposed of in fluid form by a handler, who receives milk from producers, to another such handler, shall be Class I milk to extent of receiving handler's Class I sales:

Provided, That if either or both handlers have purchased other source milk, such milk so disposed of shall be classified at both plants so as to return the highest class utilization to producer milk: Provided further, That if such milk was disposed of from a handler's plant located outside the marketing area, it shall be allocated to the lowest class usage of producer milk by the receiving handler.

Cream disposed of as fluid cream by a handler, who receives milk from producers, to another such handler, shall be Class II to extend of receiving handler's Class II sales. Provisos are made corresponding to those related to interhandler transfers of milk and skim milk (see above paragraph).

Milk (or skim milk) or cream disposed of in fluid form by a handler who receives milk from producers to a handler who receives no milk from producers shall be considered Class I or Class II, respectively.

Outside Purchases:

Deducted from Class III. Handler must pay difference between Class I price and price as used unless producer milk was not available.

4-Kansas City

Outside Sales:

Milk, skim milk, or cream disposed of by a handler to a plant of a nonhandler who does not distribute fluid milk or cream shall be Class III milk.

Milk or skim milk disposed of by a handler to a plant of a non-handler who distributes fluid milk shall be Class I. If certain conditions are met, the milk is allocated to the highest class use of the receiving nonhandler after subtracting in series beginning with the highest use class, the receipts by such nonhandler direct from dairy farmers.

Fluid cream disposed of by a handler to a plant of a nonhandler who distributes fluid cream shall be Class II. If certain conditions are met, the cream is allocated to the highest class use of the receiving nonhandler after subtracting in series beginning with the highest use class, the receipts by such nonhandler direct from dairy farmers.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 3 cents is deducted of for non-members.

FEDERAL MILF ORDER NO. 20

La Porte County, Indiana

Marketing Area:

La Porte County, Indiana

Handler:

Person who receives milk which is disposed of as milk in the marketing area.

Producer:

Person who, in conformity with health requirements, produces milk which is received at a plant from which milk is disposed of in the marketing area.

Classification:

Class I - Fluid milk, milk drinks (plain or flavored), and unaccounted-for milk.

Class II - Cream, creamed buttermilk, and creamed cottage cheese.

Class III - Milk products not specified in Class II and Class IV.

Class IV - Butter, and shrinkage not over 3 percent of producer receipts.

Class Prices (3.8% butterfat):

Class I - Class III price plus 50 cents.

Class II - Class III price plus 25 cents.

Class III - Average of prices for 3.8 percent milk at 21 plants, plus 10 cents. Plants are the 18 specified in Class III price of Order 41 (Chicago) plus:

Goshen Milk Condensing Co. Goshen, Indiana Litchfield Creamery Co. Warsaw, Indiana Niles Creamery Co. Niles, Michigan Class IV - Price per pound of Chicago 92-score butter, times 3.8, times 1.3.

Butterfat Differentials:

Class Prices - Price per pound of Chicago 92-score butter, times 1.2. divided by 10.

Producer Price - Same.

Location Differentials:

None.

Method of Accounting for Milk:

Class I computed on a volume basis plus the 3.8 percent milk equivalent of any unaccounted-for butterfat. Class II, Class III, and Class IV computed by converting butterfat used in these classes to 3.8 percent milk equivalent. Class volumes reconciled with producer receipts by adding to or subtracting from Class IV.

Type of Pool:

Individual handler, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk disposed of by a handler to another handler is Class I unless selling handler furnishes proof of use in a lower class.

Outside Furchases:

"Emergency milk" is deducted pro rata from each class. "Emergency milk" is defined as milk, skim milk, or cream received from sources other than producers or handlers under a permit issued by proper health authorities.

Other outside milk is deducted from the class in which it was used but handlers must pay the difference between the Class IV price and the class price as used.

Outside Sales:

Milk disposed of by a handler to a nonhandler is Class I unless selling handler furnsihes proof of use in a lower class.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 4 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members are turned over to the cooperative associations.

A marketing service charge not to exceed 3 cents is deducted for non-members.

FEDERAL MILK ORDER NO. 27

New York, New York

Marketing Area:

New York City and Counties of Westchester, Nassau, and Suffolk (except Fisher's Island).

A "special cream area" is defined as the territory within New York State (except the marketing area) and 12 counties in Northern New Jersey.

Handler:

Person who; (1) handles milk, or milk products, which milk was received at a pool plant or at a plant approved by any health authority as a source of milk for the marketing area; or (2) handles milk, cultured or flavored milk drinks, cream, or skim milk which is shipped to the marketing area.

Pool Plant:

A pool plant is one which is found to meet certain requirements (specified in the order) and is specifically designated as a pool plant by the Secretary. A plant so designated remains a pool plant until the designation is cancelled. Any other plant is also a pool plant during any month if it supplies certain minimum amounts of Class I-A milk to the marketing area. These minimum amounta are specified in the order for different months of the year.

Producer:

Dairy farmer whose milk is delivered direct from farm to a pool plant.

Classification:

Basis of Classification - Classification is in accordance with the form in which milk is held at, or moved from (within the month following the month received from farmers), the plant at which classification is determined. Classification is determined at the plant where the milk is received from dairy farmers, unless such milk is shipped to another plant, or plants, in the form of milk, skim milk, cream, plain condensed milk, frozen desserts, or homogenized mixtures. If shipped in any of these forms, classification is based on the form held at, or moved from, the plant to which it is shipped (without limit on the number of interplant movements which may take place in these forms prior to classification), subject to special conditions specified in the order.

Class I-A - Fluid milk and cultured and flavored milk drinks (3 percent or more butterfat) not in Class I-B or I-C, and unaccounted-for milk.

Class I-B - Class I-A products which are distributed in an area regulated by another Federal order (and which do not pass through the marketing area).

Class I-C - Class I-A products distributed in an area not regulated by any Federal order (and which do not pass through the marketing area).

Class II-A - Cultured or flavored milk drinks (less than 3 percent butterfat), and cream (sweet or sour) except cream in other classes. Cream in this class is principally that which is sold in the marketing area.

<u>Class II-B</u> - Plain condensed milk, frozen desserts, and homogenized mixtures not in Class II-D, II-E, or II-F, and cream held in cold storage under prescribed conditions.

<u>Class II-C</u> - Cream disposed of in the special cream area, which is not moved as cream to the marketing area, and the classification of which is not established in some other class.

Class II-D - Cream, plain condensed milk, frozen desserts, or homogenized mixtures used in frozen desserts, disposed of outside the marketing area, the special cream area, and New England. To be accounted for in Class II-D, the cream or plain condensed milk must not be moved to a plant or purchaser in these areas. Frozen desserts, or homogenized mixtures used in frozen desserts, must not be moved to a plant or purchaser in New York City.

Class II-E - Cream, plain condensed milk, frozen desserts, or homogenized mixtures used in frozen desserts, disposed of in New England. To be accounted for in Class II-E, cream or plain condensed milk must not be moved to a plant or purchaser outside New England. Frozen desserts or homogenized mixtures used in frozen desserts must not be moved to a plant or purchaser in New York City.

Class II-F - Plain condensed milk dappsed of in the special cream area, which is not moved as plain condensed milk to the marketing area and the classification of which is not established in some other class; frozen desserts or homogenized mixtures used in frozen desserts, not in Class II-D or Class II-E, and not moved to New York City; and cream cheese.

<u>Class III</u> - Evaporated milk (hermetically sealed cans), sweetened condensed milk; candy products (including milk chocolate), milk powder, other concentrated milk products or cheeses not specified in Class II-F or IV-B.

Class IV-A - Butter.

Class IV-B - Cheddar cheese, American Cheddar cheese, Colby cheese, washed curd cheese, or part-skim Cheddar cheese.

Class V-A - Skim milk, in all milk, which enters the marketing area in the form of fluid skim milk, cultured or flavored milk drinks (containing less than 3 percent butterfat), or which is not accounted for in some product leaving or on hand at a plant.

Class V-B - Skim milk, in all milk, not classified in Class V-A.

Class Prices (3.5 percent butterfat):

Class I-A - Related to a butter-powder value computed as follows:

Price per pound of New York 92-score butter, plus 1.8 times the average price per pound of nonfat dry milk solids (other brands, carlots, bags or barrels, human consumption and animal feed) minus 4 cents. When the butter-powder value is under 30 cents, the Class I-A price is 1.72 for April through June and \$2.16 for July through March. For each 5-cent increase in the butter-powder value, the Class I-A price increases by 22 cents per hundredweight.

Class I-B - Same as Class I-A price.

 $\underline{\text{Class I-C}}$ - The uniform producer price plus 20 cents.

Class II-A - Related to the price per pound of New York 92-score butter. When such price is less than 21.5 cents, the Class II-A price is \$1.35 per hundredweight for March through July, and \$1.50 per hundredweight for August through February. For each 3.5 cents increase in the butter price, the Class II-A price increases by 15 cents.

<u>Class II-B</u> - Class II-E price plus 25 cents during August through February, and plus 20 cents during March through July, but in no event less than the Class II-D price.

Class II-C - Class II-E price plus 10 cents.

Class II-D - The higher of:

- (1) Average price per 40-quart can of 40 percent cream (approved for Pennsylvania only, and for Pennsylvania, Newark, and Lower Merion Township), minus 28 cents, divided by 33.48, times 3.5, minus 21.5 cents.
- (2) Price per pound of New York 92-score butter, minus 4 cents, times 1.2, times 3.5, plus 10 cents.

Class II - The higher of:

- (1) Average price per 40-quart can of 40 percent cream in the Boston market, divided by 33.48, times 3.5, minus 21.5 cents.
- (2) Price per pound of New York 92-score butter, minus 4 cents, times 1.2, times 3.5, plus 10 cents.

Class II-F - Same as Class II-E price.

Class III - The higher of;

- (1) Average of prices paid for 3.5 percent milk at 20 specified evaporated milk plants (18 plants used in computing basic formula price under Chicago order plus plants at Coldwater and Delta, Ohio). During the months of January, February, July, August, and September, 8 cents added, and during the months of October, November, and December, 15 cents is added.
- (2) Price per pound of Chicago 92-score butter, times 1.3, times 3.5, plus 7 cents.

Class IV-A - Price per pound of New York 92-score butter, minus 4 cents, times 1.2, times 3.5. During the months of October through February, the Class IV-A price must not be less than the Class II-E price.

Class IV-B - Average price per pound of Plymouth Cheddars (or Twins) minus 1.5 cents, times 9. During the months of October through February the Class IV-B price must not be less than the Class III price.

Class V-A - Class I-A price, minus Class II-A price, divided by .9125.

<u>Class V-B</u> - Average price of nonfat dry milk powder (roller process, other brands, carlots, bags or barrels, human consumption and animal feed), minus 4 cents, times 8.3.

Butterfat Differentials:

Classes I-A, I-B, and I-C - 4 cents.

Class III - Class III price, minus 91.25 times the Class V-B price, divided by 35.

Class IV-B - Class IV-B price, divided by 9, times .23.

Other Classes (except V-A and V-B) - Respective class prices divided by 35.

<u>Producer Price</u> - Average of class price differentials (except I-B) weighted by the pounds of butterfat in each class for the previous month.

Location Differentials:

Classes I-A. I-B, I-C, and V-A - Specified amounts by 10-mile zones from a base zone of 201-210 miles. The differential for the 1-10-mile zone (including the marketing area) is plus 15 cents. The differential for the 491-500-mile zone is minus 14 cents.

Classes II-A, II-B, and II-C - Specified amounts by 25-mile zones from a base of 201-225 miles. The differential for the 1-25-mile zone (including the marketing area) is plus 8 cents. The differential for the 476-500@mile zone is minus 11 cents.

Class II-D - Specified amounts are deducted ranging from zero (0-30-mile zone) to 8.5 cents (391-470-mile zone). In no case shall the deduction be greater than an amount computed as follows: Price per pound of New York 92-score butter, minus 4 cents, times 1.2, times 3.5, plus 10 cents.

Classes II-E and II-F - Specified amounts are deducted ranging from 5.2 cents (0-250-mile zone) to 9.2 cents (401-450-mile zone). In no case shall the amount deducted exceed an amount computed as follows: Price per pound of New York 92-score butter, minus 4 cents, times 1.2, times 3.5, plus 10 cents.

Class IV-A - During the months of October through February, a location differential is applied to Class IV-A milk. This differential is the same as that applied to Class II-E and II-F.

All Classes - Handlers pay an additional 5 cents on all milk received from producers at plants in the marketing area and at plants located at specified places or in specified counties outside the marketing area.

<u>Producer Price</u> - Differentials applicable to Class I-A plus additional differentials of 35 cents for milk delivered to plants in the marketing area and 25 cents for milk delivered to plants located at specified places or in specified counties.

Method of Accounting for Milk:

Amounts of milk in Classes I-A through LV-B are computed by converting butterfat used in the products of each class to milk equivalent at the average test of milk received from farmers. Amounts of milk in Classes V-A and V-B are computed on a volume basis.

An accounting procedure is set up by the market administrator in accordance with general principles specified in the order. Such procedure includes the manner of determining plant loss allowances not to exceed 5 percent of the butterfat content in the final product, and conversion factors for use in the absence of specific weights or tests.

Type of Pool:

Market-wide, monthly pool without base rating plan or new producer clause.

Interhandler Transfers:

The order sets forth the basis for determining classification for milk moved in different forms and between different types of plants.

Outside Purchases:

Handlers are required to pay specified amounts per hundredweight for all non-producer milk, other than the handler's own production, which meets the following conditions:

- (1) It was received at a plant in or delivered to a purchaser in the marketing area in the form of milk, cultured or flavored milk drinks, cream, plain condensed milk, or skim milk;
- (2) It was received at a pool plant outside the marketing area and assigned to shipments to the marketing area of milk, cultured or flavored milk drinks, cream, plain condensed milk, or skim milk, or to plant loss:

Payments are made on all such milk, or milk equivalent of butterfat, classified in Classes I-A, II-A, II-B, or skim milk in Class V-A, at the following rates:

- (1) For milk classified and paid for under another Federal order, any plus amount obtained by subtracting its value under such other order from its value under Order No. 27.
- (2) For Class I-A milk from a source not under another order, the difference between the Class I-A price (201-210-mile zone) and the value at the Class IV-A and V-B prices.
- (3) For cream, plain condensed milk, cultured or flavored milk drinks (less than 3 percent butterfat), from a source not under another order, the difference between the value at the appropriate class (II-A or II-B) price in the 201-210-mile zone and the Class IV-A price.
- (4) For skim milk (either as skim milk or in cultured or flavored milk drinks), from a source not under another order, the difference between the Class V-A price in the 201-210-mile zone and the Class V-B price.
- (5) For milk, the source of which is not revealed, the amount of payment shall be the full value at the class prices in the 201-210-mile zone.
 - (6) During any emergency period when the market administrator finds that there is an inadequate supply of cream or plain condensed milk in the marketing area, such products may be obtained from non-producer sources and the handler shall pay the difference between the value of the milk equivalent at the appropriate class (II-A or II-B) price in the 201-210-mile zone and the Class II-E price in the 0-250-mile zone from Boston.

Milk received from farms in Nassau and Suffolk Counties (which farms are not approved for sale of milk in New York City) is not included in the computation of pool obligations of handlers. Such milk is assigned pro rata to the total classification of all milk from producers and pool plants.

Outside Sales:

The classification system in the order provides for classification of milk, cream, cultured or flavored milk drinks, plain condensed milk, and frozen desserts, depending upon the area to which such products are shipped or distributed.

Classification of producer milk disposed of to a non-pool plant is governed by accounting procedure established by the market administrator. This procedure must be established in accordance with the principle of giving preferential assignment under certain conditions to producer milk, cream, plain condensed milk, or skim milk to Classes I-A, II-A, II-B, or V-A.

Producer-handlers:

Milk produced on a handler's own farm is not subject to pricing and pooling under the order.

Expense of Administration:

Handlers pay administrative costs not to exceed 2 cents per hundredweight on producer milk classified in Classes I-A, I-B, I-C, II-A, and II-B.

Special Producer Provisions:

The order does not require that authorized deductions be turned over to cooperative associations.

No provision is made for a marketing service charge to be deducted for non-members.

Qualified cooperatives receive payments at the following rates:

- (1) .75 cent per hundredweight for milk of member producers caused by a bargaining cooperative to be delivered to a handler's plant.
- (2) 2 cents per hundredweight for milk of member producers caused to be delivered to a plant of another handler by a co-operative association which reports and collects for such milk.
- (3) 4 cents per hundredweight for milk received from producers at plants operated by a cooperative. If such a cooperative has been determined by the Secretary to have sufficient plant capacity to receive all the milk of member producers and to be willing and able to receive milk from non-members, it may be paid 4 cents per hundredweight for milk received from producers which it causes to be delivered to another handler.

Special Handler Provisions :

Handlers may claim payments on frozen cream stored under specified conditions during April through September, and utilize in Classes II-D, II-E, or II-F, during July through March, or in Class IV-A during January through March. Payments shall be made on the difference between the Class II-B price and the class price for such utilization in effect for the month during which the milk was received from producers.

FEDERAL MILK ORDER NO. 30 Carlotte Company of the State of the Company of the

Toledo, Ohio

Marketing area:

Ohio - Toledo and parts of Lucasaand Wood Counties.

Michigan - Parts of Monroe County.

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Handler:

Person who operates a fluid milk plant.

A fluid milk plant is defined as a plant or other facilities used in the preparation or processing of milk for disposition in the marketing area as Class I milk.

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Producer:

Person who, under approval of health authorities (if such approval is required in the community for which the milk is produced), produces milk which is received at a fluid milk plant.

Classification:

Class I - Fluid milk, skim milk or buttermilk (except for livestock feed), flavored milk or milk drinks, and unaccounted-for milk.

Class II - Cream (sweet or sour), cream products in fluid form . : containing less than minimum butterfat required for fluid cream, eggnog, and creamed cottage cheese.

Class III - Products other than those in Classes I and II, plant shrinkage not over 2 percent of producer receipts, and actual plant shrinkage in other source milk.

Class Prices (3.5 percent butterfat):

A basic formula price is used for both Class I and Class II prices. The basic formula price is the highest of:

(1) Average of prices paid for 3.5 percent milk at 18 specified plants (see list used for Chicago basic formula price);

- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the average price per pound of Plymouth Twins (or Cheddars), divided by 7, times 1.3, times 3.5;
- (3) Price per pound of Chicago 92-score butter, minus 3 cents. times 1.2, times 3.5, plus an amount computed as follows: Average price per pound of nonfat dry milk solids (carlots, human consumption, spray and roller process, f.o.b. manufacturing plants in Chicago area), minus 5.5 cents, times 8.5, times .965; or
- The Class III price.

Class I - Basic formula price plus: 75 cents during May and June, \$1.05 during September through December, and 95 cents during all other months.

*Class II - Basic formula price plus: 15 cents during May and June, 45 cents during Stember through December, and 35 cents during all other months.

> Class III - Average of prices paid for 3.5 percent milk at the following plants:

Van Camp Milk Company Wauseon, Ohio
Pet Milk Company Delta, Ohio Defiance Milk Products Company, Defiance, Ohio Pet Milk Company.

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Hudson, Michigan

Butterfat Differentials:

Class I Price - Price per pound of Chicago 92-score butter, times 1.3, divided by 10.

Class II Price - Price per pound of Chicago 92-score butter, times 1.25, divided by 10.

. Class III Price - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Producer Price - Price per pound of Chicago 92-score butter, times 1.2. divided by 10.

Location Differentials:

None.

Method of Accounting for Milk:

Weight of butterfat and skim milk are computed separately as used in each class.

Type of Pool:

Individual handler, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk transferred by a handler to another handler in the form of milk or skim milk is considered Class I milk, and milk so transferred in the form of cream is Class II milk, unless the receiving handler (who is not a producer-handler) and the selling handler indicate in writing utilization in some other class.

Outside Purchases:

Receipts of skim milk and butterfat from outside sources are deducted in series beginning with the lowest price class. An amount of outside milk may be deducted on a pro rata basis, when producer receipts are less than 1.2 times the handler's Class I utilization.

Outside Sales:

Milk disposed of by a handler to a nonhandler in the form of milk or skim milk is considered Class I milk, and milk so disposed of in the form of cream is considered to be Class II milk. If a written statement signed by both buyer and seller indicates utilization in another class, the milk will be classified accordingly, subject to verification, provided the nonhandler's plant is located within 100 miles of Toledo.

Milk received at a plant of a handler which is subject to the pricing and pooling provisions of another Federal order is not subject to such provisions of the Toledo order.

Producer-handlers:

Handlers who distritute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2¢ per hundredweight.

Producer Provisions:

ctions, as authorized by members, are turned over to the coive associations.

ng service charge not to exceed 4 cents is deducted for

Fort Wayne, Indiana

Marketing Area:

Fort Wayne and territory within 4 miles of corporate limits (exclusive of the City of New Haven).

Handler:

Person operating a milk plant from which a milk route is operated wholly or partially within the marketing area. Also any cooperative association which operates a milk plant at which milk is received from producers.

Producer:

Person who is certified by appropriate health authorities to produce milk for disposition within the marketing area in the form of fluid milk.

Classification:

Class I - Fluid milk, skim milk, buttermilk, flavored milk or milk drinks (not in Class III), and unaccounted-for milk.

Class II - Cream, cream and milk mixtures (at least 6 percent butterfat), and eggnog.

Class III - Milk products not in Classes I and II; skim milk, flavored milk and milk drink, or buttermilk disposed of for livestock feed; bulk skim milk disposed of to a manufacturer of candy, soup, or bakery products (who does not dispose of milk in fluid form); ice cream mix disposed of to a commercial processor; plant shrinkage not over 2 percent of producer receipts; and actual plant shrinkage of non-producer milk.

Class Prices (4 percent butterfat):

A basic formula price is used in determining class price. The basic formula price is the highest of:

(1) Average of prices paid for 4 percent mil! / ing plants:

Defiance Milk Products Company. Pet Milk Company, Pet Milk Company. Kraft-Phenix Cheese Corp.,

Defiance, Chio Angola, Indiana Garrett, Indiana Kendallville. Indiana

- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the average price per pound of Plymouth Twins (or Cheddars), divided by 7, times 1.3, times 4.
- (3) Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 4, plus an amount computed as follows: Average price per pound of nonfat dry milk solids (carlots, spray and roller process, human consumption, f.o.b. manufacturing plants in Chicago area), minus 5.5 cents, times 8.5, times .96.

Class I - Basic formula price plus: 60 cents during April through June; 90 cents during October through December; and 75 cents during all other months.

Class II - Basic formula price plus: 35 cents during April through June; 65 cents during October through December; and 50 cents during all other months.

Class III - Same as basic formula price.

Differentials:

Butterfat Differentials:

Class I - Price per pound of Chicago 92-score butter, times 1.3, divided by 10.

Class II - Price per pound of Chicago 92-score butter, times 1.25, divided by 10.

Class III - Price per pound of Chicago 92-score butter, times 1.15, divided by 10.

Producer Price - Price per pound of Chicago 92-score butter, times 1.15, divided by 10.

Location Differentials:

Method of Accounting for Milk:

Weights of butterfat and skim milk are computed separately as used in each class.

Type of Pool:

Market-wide, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk transferred by a handler to another handler in the form of milk or skim milk is Class I, and milk so transferred in the form of cream is Class II, unless the receiving handler (other than a producer-handler) and the seller mutually indicate in writing other utilization.

Outside Purchases:

Milk from sources other than producers, is deducted in series beginning with the lowest price class. A cooperative association operating a plant from which no route is operated wholly or partially within the marketing area is permitted to deduct up to 15 percent of producer milk from the lowest price class prior to the deduction of non-producer milk.

Milk received by a handler which is determined by the Secretary of Agriculture to be subject to another Federal milk marketing order is excluded from the pricing and pooling provisions of the Fort Wayne order.

Outside Sales:

Milk disposed of by a handler to a nonhandler in the form of fluid milk or skim milk is considered Class I milk, If both the buyer and seller indicate some other utilization in writing, it will be classified accordingly, subject to verification, provided the buyer's plant is located within 100 miles of Fort Wayne.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 4 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, or by non-members for whom the associations render marketing services, are turned over to the cooperative associations.

A marketing service charge not to exceed 4 cents is deducted for non-members.

Lowell-Lawrence, Massachusetts

Marketing Area:

The following cities and towns in Massachusetts:

Andover Methuen
Billerica North Andover
Chelmsford Tewksbury
Dracut Tyngsboro
Lawrence Westford
Lowell

Handler:

Person who handles milk which is sold as milk or cream in the marketing area.

Producer:

Person who produces milk which is delivered to a plant from which milk is shipped to, or sold in, the marketing area.

Classification:

Class I - Milk (0.5 to 15.9 percent butterfat), chocolate or flavored (whole or skim) milk, buttermilk, cultured skim milk, and unaccounted-for milk.

Class II - Milk products other than Class I, and shrinkage not in excess of 2 percent of volume handled.

Class Prices (3.7% butterfat):

Class I - The Class I price is related to the value computed pursuant to the following formula: The average of quotations per pound for roller process nonfat powder for human consumption and animal feed sold in carlots, minus 4 cents, times 1.8, plus New York 92-score butter.

When the value computed by the above formula is at least 60 cents but less than 65 cents, the April-June Class I price is \$3.89 and the July-Narch Class I price is \$4.33. For each 5-cent change in the formula value, the Class I price changes by 22 cents.

Class II - Boston 40-percent cream price per 40-quart can, divided by 33.48, (use Chicago 92-score butter times 1.4 if no cream price is available) times 3.7, minus 14 cents, plus an allowance for skim milk value.

The allowance for skim milk value is arrived at as follows:
(1) Compute the average of carlot quotations per pound of
nonfat roller powder for human consumption and the average
of carlot quotations per pound of nonfat roller powder for
animal feed, (2) multiply each such average quotation by the
applicable percentage indicated for the delivery period in
the following table, (3) combine the results, (4) subtract
4 cents, and (5) multiply the remainder by 7.5.

Delivery Period F	Human ood Products	Animal Feed Products
January February March April May June July August September October November December	100 100 50 50 25 25 50 75 75 100 100	0 0 50 50 75 75 50 25 25 0 0

Butterfat Differentials:

Class Prices - Boston 40-percent cream price per 40-quart can, divided by 33.48 (use Chicago 92-score butter times 1.4 if no cream price is available), minus 1.5 cents, divided by 10.

Producer Price - Same.

Location Differentials:

Class I - 17 cents is deducted from the Class I price (f.o.b. city) for milk delivered to a handler's plant in the 20-40 mile zone. Beyond 40 miles, an amount is deducted equal to 13 cents plus the lowest carlot freight rate for 40-quart cans from the railroad shipping point for the handler's plant to the city.

Class II - The following deductions are made for milk delivered to a handler's plant beyond 20 miles:

Zone (miles)	Class II Price Differential (cents per cwt.)
21 - 100	9.0
101 - 150	12.5
151 - 200	13.5
201 - 250	14.0
251 - 300	14.5

Producer Price - Graduated in the same manner as Class I location differentials.

Method of Accounting for Milk:

Weight of milk or its components utilized in the products of each class.

Type of Pool:

Individual handler, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk or skim milk is classified as reported by the seller or, if the seller submits no report, as reported by the buyer. Amount classified as Class II must not exceed buyer's total milk or skim milk utilized as Class II.

If buyer is a cooperative association and sells milk or skim milk to another buyer, the milk may be classified as utilized by such second buyer.

Outside Purchases:

Milk subject to pooling under the Boston and New York orders is not pooled under the Lowell-Lawrence order. Milk received from producers at plants located outside the New England States and New York is not regulated.

Outside Sales:

Milk or skim milk moved to a plant subject to another order of the Secretary may be classified by the seller, or if the seller submits no report, as reported by the buyer. Amount classified as Class II must not exceed buyer's total milk or skim milk utilized as Class II. Other milk or skim milk disposed of to nonhandlers shall be Class I milk to extent of receiver's total utilization in Class I.

Milk sold cutside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

A "producer-handler" is defined as any handler who is also a producer and who receives no milk from other producers and who either: (1) has milk receipts from his own production which he does not dispose of in bulk and which average less than 1,000 pounds daily, or (2) processes and packages his milk at a plant located on a farm from which he receives at least 25 percent of the total receipts from his own production which he does not dispose of in bulk.

Producer-handlers are exempt from regulatory provisions. Reports may be required by market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 4 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to cooperative associations.

A marketing service charge not to exceed 3 cents is deducted for non-members.

Omaha-Council Bluffs (Nebraska and Iowa)

Marketing Area:

Nebraska - Omaha and parts of Douglas and Sarpy Counties.

<u>Iowa</u> - Council Bluffs and parts of Pottawattamie County.

Handler:

Person who operates a plant where milk is processed and packaged and from which skim milk and butterfat are disposed of as Class I milk within the marketing area.

Producer:

Person who, in accordance with health requirements, produces milk which is received at a plant where milk is processed and packaged and from which skim milk and butterfat are disposed of as Class I milk within the marketing area.

Classification:

Class I - Fluid milk (more than 1 percent butterfat), flavored milk drinks, and unaccounted-for milk.

Class II - Cream (more than 6 percent butterfat).

Class III - Milk products not specified in other classes, milk used for animal feed, and shrinkage not exceeding 5 percent of receipts of skim milk and 2 percent of receipts of butterfat (exclusive of skim milk and butterfat received from other handlers which are not cooperative associations).

Class Prices (3,8 percent butterfat):

A basic formula price is used for both Class I and Class II prices. The basic formula price is the higher of:

(1) Average of prices paid for 3.5 percent milk at the following plants, divided by 3.5, times 3.8:

Amboy Milk Products Company
Borden Company,
Borden Company,
Carnation Milk Company,
Carnation Milk Company,
Carnation Milk Company,
Dean Milk Company,
Dean Milk Company,
Tort Dodge Creamery Company,
Libby McNeil & Libby Company,
Pet Milk Company,
United Milk Products Company,

Amboy, Illinois
Dixon, Illinois
Sterling, Illinois
Northfield, Minnesota
Oregon, Illinois
Waverly, Iowa
Pearl City, Illinois
Pecatonica, Illinois
Fort Dodge, Iowa
Morrison, Illinois
Shullsburg, Wisconsin
Argo Fay, Illinois

(2) Average price per pound of Chicago 92-score butter, plus or minus .25 cent for each cent that such price is above or below 20 cents, times 3.8, plus 21 cents, plus 3 cents for each full one-half cent that the price of nonfat dry milk solids for human consumption at Chicago is above 7 cents per pound (average of carlot prices, spray and roller process).

Class I - Basic formula price plus 75 cents.

Class II - Basic formula price plus 40 cents.

<u>Class III</u> - Formula based on butter and dry milk solids which is used in basic formula price.

Butterfat Differentials:

Class I and Class II Prices - Class III butterfat differential plus 1.5 cents.

<u>Class III Price</u> - Price per pound of Chicago 92-score butter, plus or minus .25 cent for each 1 cent that such price is above or below 20 cents, divided by 10.

<u>Producer Price</u> - Price per pound of Chicago 92-score butter, divided by 10.

Location Differentials:

None.

Method of Accounting for Milk:

Weight of butterfat and skim milk utilized in the products of each class.

Type of Pool:

Market-wide, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Skim milk and butterfat moved in the form of milk or skim milk by a handler other than a cooperative association to another handler who receives milk from producers or associations of producers shall be Class I. If moved between such handlers in the form of cream it shall be Class II. May be classified otherwise if a statement as to actual utilization is furnished by the buyer.

Skim milk and butterfat moved in the form of milk or skim milk to a producer-handler shall be Class I. If moved in the form of cream it shall be Class II.

Outside Purchases:

"Emergency milk" is apportioned on a prorata basis by classes in accordance with the receiving handler's total utilization of milk. "Emergency milk" means skim milk and butterfat which is received by a handler as fluid milk during the months of September through December from the plant of a nonhandler which is approved by health authorities for sale of Class I milk within the marketing area.

Skim milk and butterfat received from other than producer sources which is not "emergency milk" shall be classified in the receiving handler's lowest class use.

Outside Sales:

Skim milk and butterfat moved in the form of milk or skim milk by a handler to the plant of a nonhandler shall be Class I. If moved in the form of cream it shall be Class II. May be classified otherwise if a statement as to actual utilization is furnished by the buyer, subject to audit by the market administrator.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2 cents per hundredweight.

Special Producer Provisions:

No provisions are made either for authorized deductions from payments to members of cooperative associations or for marketing service charges for non-members.

Chicago, Illinois

Marketing Area:

Cities of Chicago and Evanston, and villages of Wilmette, Kenilworth, Winnetka, Glencoe, and Oak Park, Illinois

Handler:

Person who receives milk which is disposed of as Class I milk or Class II milk in the marketing area.

Producer:

Person who produces milk which is received at an approved plant, or qualified to be so received.

Classification:

Class I - Fluid milk, buttermilk, flavored milk, flavored milk drinks, fluid skim milk (disposed of through routes, stores, or vendors), and unaccounted-for milk. If any of these products are disposed of in bulk to bakeries, soup companies, and candy manufacturers, they are classified in Class III.

Class II - Cream (sweet or sour), fluid cream products (more than 6 percent butterfat), butter cream, filled cream, frozen cream, eggnog, yoghurt, ice cream, ice cream mix (liquid or powder), cottage cheese, and any other milk product similar to any of those named. Fluid cream, fluid cream products, filled cream, and cottage cheese disposed of in bulk to bakeries, soup companies, and candy manufacturers are classified in Class III.

<u>Class III</u> - Milk products not in other classes, and products <u>disposed</u> of in bulk to bakeries, soup companies, and candy manufacturers.

Class IV - Butter, cheese (except cottage cheese), and shrinkage (not over 0.5 percent of direct receipts from producers plus 1.5 percent of milk, skim milk, and cream received in bulk from all sources which were not disposed of in bulk to another handler or to an unapproved plant.

Class Prices (3.5 percent butterfat):

A basic formula price is used for Class I, Class II, and Class III prices. The basic formula price is the highest of:

(1) Average of prices for 3.5 milk at following plants:

Borden Company Borden Company Borden Company Borden Company Borden Company Carnation Company Carnation Company Carnation Company Carnation Company Carnation Company Carnation Company Pet Milk Company White House Milk Company White House Milk Company

Black Creek, Wisconsin Greenville, Wisconsin Mt. Pleasant, Michigan New London, Wisconsin Orfordville, Wisconsin Berlin, Wisconsin · Jefferson, Wisconsin Chilton, Wisconsin Oconomowoc, Wisconsin Richland Center, Wisconsin Sparta, Michigan Belleville, Wisconsin Coopersville, Michigan Hudson, Michigan New Glarus, Wisconsin Wayland, Michigan Manitowoc, Visconsin West Bend, Visconsin

- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the price per pound of Plymouth "Twins" (or "Cheddars" if price of Twins is not quoted), divided by 7, times 1.3, times 3.5.
- (3) Price per pound of Chicago 92-score butter, times 3.5, times 1.2, plus or minus 3.75 cents for each full half-cent variation from 5 cents in the price per pound of nonfat dry milk solids (carlots, human consumption, f.o.b. plants in Chicago area).

Class I - Basic formula price plus 70 cents (50 cents in May and June).

Class II - Basic formula price plus 32 cents (20 cents in May and June for portion of Class II milk used in frozen cream).

Class III - Same as basic formula price.

Class IV - Formula based on butter and dry milk solids which is used in basic formula price.

Butterfat Differentials:

Class Prices - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Producer Price - Same.

Location Differentials:

Class Prices - The location adjustment credit on milk received from producers at a plant beyond 70 miles which either (a) is moved as fluid milk or fluid skim milk to a city bottling plant or (b) is classified as Class I milk without being moved as fluid milk, skim milk, or cream, is 1.5 cents for each 15 miles (or fraction thereof) that the plant is located more than 70 miles from Chicago.

The location adjustment credit on milk received from producers at a plant beyond 70 miles which either (a) is moved as fluid cream to a city bottling or ice cream plant, or (b) is classified as Class II milk without being moved as fluid milk, skim milk, or cream, is as follows:

Distance from	Rate
Chicago	per cwt. of Fluid cream
(miles)	1
0 to 70	0
70.1 to 85	5
85.1 to 115	10
115.1 to 175	15
175.1 to 220	20
220.1 to 250	
250.1 to 325	
325.1 or over	

Producer Price - Deductions are made on milk received at plants beyond 70 miles; as follows:

Distance from	1		Rate
Chicago		per cwt.	of Milk
(miles)			
70.1 to 85 .	• • • • • • • • • •		2 .
85.1 to 100 .	• • • • • • • • • • •		4
100.1 to 115.			6
115.1 to 130 .			8
130.1 to 145.	• • • • • • • • • • •		.10
145.1 to 160 .	* * * * * * * * * * * * * * * * * * * *		12
160.1 to 175.			14

For each 15 miles or part thereof beyond 175 miles from Chicago, an additional one-half cent per hundredweight.

Method of Accounting for Milk:

Class I computed on a volume basis plus the 3.5 percent milk equivalent of unaccounted-for butterfat. Class II, Class III, and Class IV computed by converting butterfat used in these classes to 3.5 percent milk equivalent. Class volumes are reconciled with producer receipts by adding to or subtracting from Class IV.

Type of Pool:

Market-wide, monthly pool without base rating plan or new producer clause.

Interhandler Transfers:

Fluid milk or fluid skim milk is Class I and fluid cream is Class II, unless a written state ent as to other utilization is made by both buyer and seller.

Outside Purchases:

Deducted in series from each class beginning with lowest price class in which the handler has utilization. Handler pays into pool the difference between the price for the class from which such milk was deducted and the Class IV price, unless he can prove that use of milk did not violate health regulations.

Outside Sales:

Milk moved as fluid milk to a plant subject to another Federal milk marketing order is Class I. If moved as fluid cream to such a plant it is Class II. If proof is furnished that such classification exceeds the total utilization in such classes of the receiving plant, the excess shall be classified in accordance with actual utilization.

Milk moved as fluid milk or fluid cream to an unapproved plant within an area defined as the "surplus manufacturing area", which plant manufactured butter, cheese (except cottage cheese) evaporated milk, condensed milk, whole milk powder, or ice cream powder, shall be classified in accordance with its utilization.

Milk moved as fluid milk to a plant outside the "surplus manufacturing area" is classified as Class I. If moved as fluid cream it is classified as Class II.

5-Chicago, Illinois

The "surplus manufacturing area" comprises the State of Wisconsin and specified counties in Illinois, Indiana, and Michigan.

· Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 3 cents is deducted for non-members.

New Orleans, Louisiana

Marketing Area:

New Orleans and parts of Jefferson and St. Bernard Parishes in Louisiana.

Handler:

Person who operates a city or country plant.

A city plant is one where milk is processed and packaged and from which milk is distributed as Class I milk in the marketing area. A country plant is one at which milk is received from producers and from which milk or cream is received at a city plant.

Person who, in conformity with health requirements, produces milk which is received at a city or country plant.

Classification:

<u>Class I</u> - Fluid milk, skim milk, buttermilk, flavored milk, flavored milk drinks, sweet or sour cream, milk and cream mixtures, and unaccounted-for milk.

Class II - Cheese (except Cheedar Cheese), ice cream, and ice cream mix.

<u>Class III</u> - Products not in Classes I and II and plant shrinkage not over 3 percent of producer receipts.

Class Prices (for butterfat and skim milk):

A "basic formula" price is used for both Class I and Class II prices. The "basic formula" price is the highest of:

(1) Average of prices paid for 3.5 percent milk at 18 specified plants (see list used for "basic formula" price under Chicago order).

- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the average price per pound of Twins (or Cheddars), divided by 7, times 1.3, times 3.5.
- (3) Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 3.5, plus an amount computed as follows: Price per pound of nonfat dry milk solids (carlots, human consumption, spray and roller process, f.o.b. manufacturing plants in Chicago area), minus 4 cents, times 8.5, times .965.

Class I - The prices per hundredweight of butterfat and skim milk in Class I are computed as follows (f.o.b. 61-70-mile zone):

- (1) Add \$1.05 to the "basic formula" price.
- (2) The price of butterfat is the sum obtained in (1), multiplied by 17.5.
- (3) The price of skim milk is the sum obtained in (1), minus .04 times the price of butterfat pursuant to (2), divided by .96.

<u>Class II</u> - The prices per hundredweight of butterfat and skim milk in Class II are computed as follows:

- (1) Add 55 cents to the "basic formula" price.
- (2) The price of butterfat is the sum obtained in (1), multiplied by 17.5.
- (3) The price of skim milk is the sum obtained in (1), minus .04 times the price of butterfat pursuant to (2), divided by .96.

Class III - The price per hundredweight of butterfat in Class III is the price per pound of Chicago 92-score butter, times 100. The price per hundredweight of skim milk in Class III is the average price per pound of nonfat dry milk solids (carlots, roller process, human consumption, f.o.b. Chicago), minus 7 cents, times 7.5.

Emergency Provision: Upon a finding by the Secretary of Agriculture that the Class I and Class II prices computed for any delivery period are not in the public interest, such prices shall be the same as the Class I and Class II prices for the previous delivery period.

Butterfat Differentials:

<u>Class Prices</u> - None, because butterfat and skim milk are classified and priced separately.

<u>Producer Price</u> - The uniform price to producers is announced for milk containing 4 percent butterfat. The butterfat differential is computed as follows: The uniform price per hundred-weight of butterfat, minus the uniform price per hundredweight of skim milk, divided by 1000.

Location Differentials:

Class I Price - The Class I price is established for the 61-70-mile zone. The following schedule of differentials is established:

	Miles from	Cents	per
	New Orleans	hundred	lweight
	×		
	20 cr less	/ 28	3
	20 to 30 . :	/ 8	3
	30 to 40	7 6)
	40 to 50	7 4	
	50 to 60	7 2)
	60 to 70)
	70 to 80	- 2)
	80 to 90	- 4	-
	90 to 100	- ()
	100 to 110	~ 7	
1	More than 110	- 8	}

<u>Producer Price</u> - The uniform price to producers is adjusted in accordance with the same schedule which is applied to the Class I price.

Method of Accounting for Milk:

Weights of skim milk and cream are computed separately as utilized in the products of each class.

Type of Pool:

Market-wide, monthly pool, without new producer clause or base rating plan.

Interhandler Transfers:

Skim milk and butterfat disposed of by a handler to another handler (Who receives milk from producers in the form of milk, skim milk, or cream), are classified in the class in which they are used. If the receiving handler is a producer-handler, the skim milk and butterfat are classified in Class I.

Outside Purchases:

Skim milk and butterfat received from sources other than producers or handlers are deducted in series beginning with the lowest price class.

Outside Sales:

Skim milk and butterfat disposed of in the form of milk, skim milk, or cream, by a handler to a nonhandler, who distributes milk or cream for consumption in fluid form, are classified in Class I. If disposed of to a nonhandler who does not distribute milk or cream for consumption in fluid form, the skim milk and butterfat are classified in accordance with actual utilization.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 4 cents per hundredweight.

Special Producer Provisions:

No provision is made for authorized deductions to be turned over to cooperative associations.

No provision is made for marketing service charges to be deducted for non-members.

Quad Cities (Iowa-Illinois)

Marketing Area:

<u>Iowa</u> - Cities of Davenport and Bettendorf, and specified townships in Scott County.

<u>Illinois</u> - Cities of Rock Island, Moline, East Moline, and Silvis, and specified townships in Rock Island County.

Handler:

Person who receives milk which is disposed of as Class I milk in the marketing area.

Producer:

Person who produces milk which is received at a plant from which milk is disposed of as Class I milk in the marketing area.

Classification:

Class I - Fluid milk and unaccounted-for milk. ...

Class II - Cream, fluid cream products (more than 6 percent butterfat), buttermilk, cottage cheese, chocolate milk, and flavored milk drinks.

Class III - Evaporated milk, condensed milk, ice cream mix, unsalted butter, and any milk product not specified in Class II or Class IV.

Class IV - Butter, Cheddar cheese, and shrinkage not over 3 per cent of producer receipts.

Class Prices (3.5 percent butterfat):

Class I - Class III price plus 70 cents.

Class II - Class III price plus 25 cents.

Class III - The Class III price is the higher of:

- (1) Average of prices paid for 3.5 percent milk at 9 specified plants (see list used for basic formula price in Dubuque order).
- (2) Price per pound of Plymouth (or Chicago) Twins, times 0.4, plus price per pound of Chicago 92-score butter, times 3.9.

Class IV - Price per pound of Chicago 92-score butter, times 3.5, times 1.2, plus an amount computed as follows: Price per pound of casein (carlots, unground, f.o.b. Wisconsin plant), minus 4 cents, times 2.3.

<u>Grade A Premium</u> - A premium of 20 cents over Class I and Class II prices is provided for Grade A milk used in those classes.

Butterfat Differentials:

Class Prices - 3 cents when the price per pound of Chicago 92score butter is less than 30 cents; 4 cents when the price of such butter is between 30 and 35 cents; and 5 cents when the price of such butter is 35 cents or over.

Producer Price - Same.

Location Differentials:

None.

Method of Accounting for Milk:

Class I computed on a volume basis plus the 3.5 percent milk equivalent of unaccounted-for butterfat. Class II, Class III, and Class IV computed by converting butterfat used in these classes to 3.5 percent milk equivalent. Class volumes are reconciled with producer receipts by adding to or subtracting from Class IV.

Type of Pool:

Market-wide, monthly pool, with base rating. No new producer clause is specified in the order. Under the base rating plan, however, a new producer receives an "excess price" for two full calendar months.

Interhandler Transfers:

Milk moving as fluid milk from one handler's plant to the plant of another handler is classified as Class I milk. If moved as fluid cream, it is classified as Class II milk. If the use of such milk or cream in a lower classification is verified by the market administrator, the milk or cream is classified accordingly.

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If a handler receives milk or cream from a producer-handler or from another handler who is also a producer, such milk or cream is considered Class IV milk. If the receiving handler utilizes such milk or cream in a higher class, he must pay into the pool the difference between its class value as actually utilized and the Class IV price.

Outside Purchases:

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Deducted in series from each class, beginning with the lowest price class in which the handler has utilization.

"Emergency milk" is deducted pro rata from each class. Such milk is purchased during a delivery period when the market administrator determines that the supply of milk available to a handler from producers and handlers is not sufficient to fulfill his Class I and Class II requirements.

Outside Sales:

Milk moving as fluid milk from any handler's plant to a plant of a nonhandler shall be Class I to the extent of such nonhandler's total disposition of fluid milk. If moved as fluid cream between such plants, it shall be classified as Class II milk to the extent of the nonhandler's total disposition of fluid cream. Any milk or cream moved between such plants which is in excess of the nonhandler's total fluid milk and fluid cream sales is classified in accordance with its actual utilization.

* Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 3¢ per hundredweight.

Special Producer Brovisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 4 cents is deducted for non-members.

Louisville, Kentucky

Marketing Area:

<u>Kentucky</u> - The City of Louisville and remaining parts of Jefferson County.

Indiana - Floyd County and specified townships in Clark County.

Handler:

Person who receives milk from producers at a plant from which milk or cream is disposed of for fluid consumption in the marketing area, or who receives milk at a plant which is approved for the furnishing of milk or cream to other plants which in turn dispose of milk for fluid consumption in the marketing area.

Producer:

Person who, under a dairy farm inspection permit, produces milk which is received at a plant from which milk or cream is disposed of for fluid consumption in the marketing area or is received at a plant which is approved by the health authorities to furnish milk or cream to other plants which dispose of such milk or cream for fluid consumption in the marketing area.

Classification:

2.37

<u>Class I</u> - Fluid milk, buttermilk, milk drinks (plain or flavored), and unaccounted-for milk.

<u>Class II</u> - Fluid cream and any fluid cream product containing less than the minimum butterfat content required for fluid cream.

<u>Class III</u> - Milk products not specified in Class I and Class II and shrinkage not in excess of 2 percent of producer receipts plus actual shrinkage, under certain conditions, on milk from other sources.

Milk (or skim milk) and cream sold to soda fountains, bakeries, restaurants, and other establishments which dispose of milk for both fluid and other uses shall be classified as Class I and Class II, respectively. If such milk (or skim milk) and cream are disposed of in bulk to any such establishment, which is

permitted under the health regulations to receive milk or cream . other than of Grade A quality for non-fluid uses, it shall be classified as Class III milk.

Class Prices (4.0 percent butterfat):

A basic formula price is used for Class I and Class II prices. The basic formula price is the higher of:

(1) Average of prices paid for 4 percent milk at the following plants:

Kraft Cheese Company Armour Creameries Armour Creameries Kraft Cheese Company Ewing-Von Allmen Company Ewing-Von Allmen Company Producers' Dairy Marketing Association Orleans, Indiana

Lawrenceburg, Kentucky Elizabethtown, Kentucky Springfield, Kentucky Salem, Indiana Corydon, Indiana Madison, Indiana

- (2) Price per pound of Chicago 92-score butter, times 4, times 1.2, plus 3.5 cents for each full half-cent that the price per pound of nonfat dry milk solids (carlots, roller process, human consumption, f.o.b. Chicago area plants) is above 5.5 cents.
- (3) Average of prices paid for 3.5 percent milk at 18 specified plants, plus 5 times the butterfat differential to producers (as provided in the order), less 15 cents (see list of plants used for basic formula price in Chicago order).
- Class I Basic formula price plus \$1.05. A special price is provided for Class I milk disposed of for relief of low-income consumers under a program approved by the Secretary of Agriculture. This price is the Class III price plus 12 cents.

Class II - Basic formula price plus 50 cents.

Class III - The higher of formulas (1) and (2) used in computing the basic formula price.

In the case of butter made from producers' milk received during April, May, and June (not in excess of 10 percent of the handler's Class I milk), the price is computed as follows: Price per. pound of Chicago 92-score butter, times 4, times 1.2.

Butterfat Differentials:

Class Prices - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

<u>Producer Price</u> - 5 cents when Chicago 92-score butter is between 42.5 cents and 47.5 cents. For each 5-cent interval change in the butter price, the butterfat differential changes by a half-cent.

Location Differentials:

None.

Method: of Accounting for Milk:

Class I computed on a volume basis, plus the 4 percent milk equivalent of unaccounted-for butterfat. Class II and Class III computed by converting butterfat used in these classes to 4 percent milk equivalent. Class volumes are reconciled with producer receipts by adding to or subtracting from Class III.

Type of Pool:

. drain-

Market-wide, monthly pool, without base rating plan or new producer clause.

Thirty cents per hundredweight is deducted from blended price during April, Maj, and June of 1947 (35 cents for 1948 and 40 cents thereafter). A third of these deductions is returned to producers during each of the months of September, October, and November, each producer sharing on the basis of his own production during these months.

Interhandler Transfers:

Milk moved from one handler's plant to the plant of another handler is Class I, and cream so moved is Class II. Handlers are permitted to classify differently by submitting written agreement to the market administrator.

Milk, skim milk, or cream received in bulk from a handler whose only source of milk is his own production is classified as Class III milk. Receiving handler must pay the difference between the Class III price and the class price according to its actual usage.

Outside Purchases:

Milk (other than "emergency milk") received from sources other than producers or handlers is deducted from class in which used and handler pays the difference between the Class III price and the class price as used. "Emergency milk" (milk, skim milk, or cream received from non-producer sources under a permit issued by proper health authorities) is deducted from Class III and any excess is deducted prorata from Class I and Class II, except for an amount of Class III milk not exceeding 5 percent of producer milk which is left in Class III.

Ourside Sales:

Milk moved from a plant of a handler to a plant of a nonhandler is Class I, and cream so moved is Class II. The handler is permitted to classify differently by submitting a written agreement as to usage, signed by the handler and the receiver, subject to verification by the market administrator.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 4 cents per hundredweight is deducted for non-members.

Fall River, Massachusetts

Marketing Area:

Massachusetts - Fall River and Somerset.

Rhede Island - Tiverton.

Handler:

Person who receives milk from producers, part of which is disposed of in the marketing area for consumption as milk or cream.

Producer:

Person who produces milk which is delivered to a plant from which milk is shipped to, or sold in, the marketing area.

Classification:

Class I - Fluid milk (0.5 to 15.9 percent butterfat), chocolate or flavored (whole or skim) milk, buttermilk, cultured skim milk, and unaccounted-for milk.

Class II - Milk products other than Class I, and shrinkage not in excess of 2 percent of producer receipts (including handler's own production).

Class Prices (3.7 percent butterfat):

Class I - The Class I price is related to the value computed pursuant to the following formula: the average of quotations per pound for roller process nonfat powder for human consumption and animal feed sold in carlots, minus 4 cents, times 1.8, plus the price per pound of New York 92-score butter.

When the value computed by the above formula is at least 60 cents but less than 65 cents, the April-June Class I price is \$4.20 and the July-March Class I price is \$4.64. For each

5-cent change in the formula value, the Class I price changes by 22 cents.

Class II - Price per 40-quart can of Boston 40-percent cream, divided by 33.48, times 3.7, minus 15 cents, plus an allowance for skim milk.

The allowance for skim milk is arrived at as follows:

(1) Compute the average of carlot quotations per pound of nonfat foller powder for human consumption and the average of carlot quotations per pound of nonfat roller powder for animal feed, (2) multiply each such average quotation by the applicable percentage indicated for the delivery period in the following table, (3) combine the results, (4) subtract 4 cents, and (5) multiply the remainder by 7.5.

Delivery Period	Human Food Products	Animal Feed Products
T	100	0
January	100	0
February	100	0
March	50	. 20
April	50	50
May	. 25	75
June	25	7 5
July	50	50
August	75	25
September	75	25
October	100	0
Novem ber	100	0
December	100	0

Butterfat Differentials:

Class Prices - Price per 40-quart can of Boston 40-percent cream, divided by 33.48, minus 1.5 cents, divided by 10.

Producer Price - Same.

Location Differentials:

Class I - For milk delivered to a handler's plant beyond 100 miles, a deduction is made equal to 13 cents per hundredweight

plus the lowest carlot freight rate for 40-quart can.

Class II Price - For milk delivered to a handler's plant beyond 100 miles, 14 cents per hundredweight is deducted.

Producer Price - Same as allowance to handlers for Class I milk.

Method of Accounting for Milk:

Weight of milk or its component utilized in the products of each class.

Type of Pool:

Market-wide, monthly pool, without new producer clause.

Base rating plant is provided (for the months of April, May, and June) but has been suspended since 1943.

Interhandler Transfers:

Milk moved from the plant of a handler to the plant of another handler is Class I, unless the receiving handler reports its utilization in Class II.

Outside Purchases:

Deducted from any Class II milk remaining after deducting not more than 5 percent of pooled producer milk from Class II, with balance deducted from Class I. Milk subject to the Boston order which is received in packaged form and sold as fluid milk shall be Class I.

Outside Sales:

Milk or skim milk disposed of to a handler or plant subject to another Federal order is classified as reported, but Class II must not exceed total Class II milk of the buyer.

Milk or skim milk sold to nonhandlers, distributors, or manufacturers, is Class I to the extent of the receiver's Class I utilization.

Where a handler maintains separate lists of producers who supply him with milk for sale outside the marketing area, he may pay such prices as he has previously reported to the market administrator. Otherwise outside sales are priced the same as area sales.

Producer-handlers:

Producer handlers are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 5 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to cooperative associations.

A marketing service charge not to exceed 4 cents is deducted for non-members.

Special Handler Provisions:

Handlers may deduct .75 cent per hundredweight for rental on cans supplied to producers.

At the request of handlers of more than 50 percent of the milk produced for sale in the marketing area, a "Marketing Committee" may be established.

Sioux City, Iowa

Marketing Area:

<u>lowa</u> - Sioux City and specified parts of Woodbury and Plymouth Counties.

Nebraska - South Sioux City and specified parts of Dakota County.

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South Dakota - Stevens and specified parts of Union County.

Handler:

Person who receives milk which is disposed of as Class I or Class II milk in the marketing area.

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Producer:

Person who (1) produces milk, under a dairy farm inspection permit for Sioux City, which is received at a plant of a handler, or (2) produces milk which is received by a handler who is not under the jurisdiction of the Sioux City health authorities.

Classification:

Section 1

<u>Class I</u> - Fluid milk (plain or flavored) containing more than 1.5 percent butterfat and unaccounted-for milk.

<u>Class II</u> - Sweet or sour cream (containing more than 6 percent butterfat).

<u>Class III</u> - Milk products other than cream and shrinkage not over 2 percent of receipts (exclusive of receipts from other handlers).

Class Prices (3.5 percent butterfat):

A basic formula price is used for Class I, Class II, and Class III prices. The basic formula price is the higher of:

(1) Average of prices paid for 3.5 percent milk at 12 specified

plants (plants are those used for basic formula price in the Omaha-Council Bluffs order).

(2) Price per pound of Chicago 92-score butter, plus or minus .25 cent for each cent that such price is above or below 20 cents, times 3.5, plus 21 cents, plus 3 cents for each full one-half cent that the price of nonfat dry milk solids for human consumption at Chicago is above 7 cents per pound (average of carlot prices, spray and roller process).

Class I - Basic formula price plus 80 cents.

. Class II - Basic formula price plus 50 cents.

Class III - Basic formula price.

Butterfat Differentials:

Class I and Class II Prices - Class III butterfat differential plus 1.6 cents.

Class III Price - Price per pound of Chicago 92-score butter, plus or minus .25 cent for each 1 cent that such price is above or below 20 cents, divided by 10.

<u>Producer Price</u> - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Location Differentials:

None.

Method of Accounting for Milk:

Weight of butterfat and skim milk utilized in the products of each class.

Type of Pool:

Market-wide, semi-monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Skim milk and butterfat moved in the form of milk or skim milk by a handler other than a cooperative association to another handler who receives milk from producers or associations of producers shall be Class I. If moved between such handlers in the form of cream it shall be Class II. May be classified otherwise if a statement as to actual utilization is furnished by the buyer. Skim milk and butterfat moved in the form of milk or skim milk to a producer-handler shall be Class I. If moved in the form of cream it shall be Class II.

Outside Purchases:

Skim milk and butterfat received from other than producer sources shall be classified in the receiving handler's lowest class use.

Outside Sales:

Skim milk and butterfat moved in the form of milk or skim milk by a handler to the plant of a nonhandler shall be Class I. If moved in the form of cream it shall be Class II. May be classified otherwise if a statement as to actual utilization is furnished by the buyer, subject to audit by the market administrator.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 4 cents per hundredweight.

Special Producer Provisions:

No provision is made for turning over authorized member deductions to cooperative associations.

No marketing service charge is deducted for non-members.

Duluth-Superior (Minnesota-Wisconsin)

Marketing Area:

Minnesota - Cities of Duluth and Cloquet.

<u>Wisconsin</u> - City of Superior.

Handler:

Person who disposes of milk for consumption as fluid milk in the marketing area.

Producer:

Person who, under certification of health authorities, produces milk which is received at a handler's plant from which milk is disposed of as milk in the marketing area.

Classification:

<u>Class I</u> - Fluid milk, flavored milk, flavored milk drinks, and unaccounted-for milk.

Class II - Fluid cream.

<u>Class III</u> - Milk used in products not in Class I or Class II and plant shrinkage not over 2 percent of receipts.

Class Prices (4 percent butterfat):

Class I - Class III price plus \$1.00 (60 cents from May through August).

Class II - Class III price plus 60 cents (35 cents from May through August).

<u>Class III</u> - Price per pound of Chicago 92-score butter, times 4, times 1.25, plus 0.7 cent for each one-tenth cent that the price per pound of nonfat dry milk solids (average f.o.b. gross factory price reported by the American Dry Milk Institute) is above 7 cents.

Butterfat Differentials:

Glass Prices - Price per pound of Chicago 92-score butter, times 1.25, divided by 10.

Producer Price - Same.

Location Differentials:

None.

Method of Accounting for Milk:

Class I computed on a volume basis plus the 4 percent milk equivalent of unaccounted-for butterfat. Class II and Class III computed by converting butterfat used in these classes to 4 percent milk equivalent. Class volumes are reconciled with producer receipts by adding to Class III or subtracting from lowest class in which handler has use.

Type of Pool:

Market-wide, monthly pool, with new producer clause. No base rating plan is provided.

Interhandler Transfers:

Milk or skim milk disposed of by a handler to another handler is Class I, and cream so disposed of is Class II. Milk or cream may be classified otherwise if verification by market administrator shows that the milk or cream was not utilized as Class I or Class II, respectively, provided that the receiving handler is not a producer-handler.

Milk, skim milk, or cream received by a handler from a producerhandler is considered Class III. Receiving handler must pay the difference between the Class III price and the class price in which the milk, skim milk, or cream was actually used.

Outside Purchases:

"Emergency milk" (milk from outside sources received under a permit from health authorities) is deducted on a pro rata basis from each class.

Other outside milk is deducted from the class in which it is used, but receiving handler must pay the difference between the Class III price and the class price as used. This payment need not be made on outside milk or cream used in Class II to the extent that pro-

ducer milk was not available for such use.

Outside Sales:

Milk or skim milk disposed of by a handler to a nonhandler is classified as Class I milk, if the nonhandler disposes of milk for consumption as fluid milk. Otherwise such milk is classified as Class III milk.

Cream disposed of by a handler to a nonhandler is classified as Class II milk, if the nonhandler disposes of any milk or cream for consumption as milk or cream. Otherwise it is classified as Class III milk.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 3 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

· A marketing service charge · not to exceed 3 cents is deducted for non-members

Market Advisory Committee:

Representatives of producers, handlers, and consumers may certify to the Secretary of Agriculture the selection of three individuals by each group for membership on a Market Advisory Committee. This committee may make recommendations to the Secretary regarding amenuments to the order.

Philadelphia, Pennsylvania

Marketing Area:

Metropolitan Philadelphia except portions outside the State of Pennsylvania.

Handler:

Person who handles milk which is disposed of as fluid milk or fluid skim milk in the marketing area.

Producer:

Person who produces milk received directly at (1) specified plants except (a) during such time as any such plant has been stopped by the Pennsylvania Department of Health from shipping fluid milk or fluid cream, or (b) during any month when no milk or cream is disposed of in the marketing area from such plant, if the handler has properly notified the market administrator (and if no milk or cream has been shipped from such plant to the marketing area during the three preceding months); (2) a pasteurizing and bottling plant from which Class I milk is sold in the area; or (3) any other plant of a handler from which milk is supplied on twenty or more days in the month to such a pasteurizing and bottling plant.

Classification:

Class I - Fluid milk, skim milk, and flavored milk drinks (under 18 percent butterfat), and unaccounted-for milk.

Milk sold to retail establishments which dispose of milk for fluid and other uses is Class I.

Class II - Milk products not in Class I, and shrinkage not in excess of 2 percent of receipts at "producer milk plants" (plants described in definition of term, "producer."

Class Prices (4 percent butterfat):

Class I - \$5.56 (\$5.11 for months of April, May, and June). An upward adjustment of 40 cents is provided when the price per pound of New York 92-score butter is 82 cents or more, and a downward adjustment of 40 cents is provided when the price of such butter is 67 cents or less.

Class II - Sum of butterfat and skim values.

Butterfat value is the higher of:

- (1) Average of specified quotations per 40-quart can of 40 percent cream in the Philadelphia market, minus 28 cents; divided by 33.48, times 4, minus 23.5 cents.
- (2) Price per pound of New York 92-score butter, minus 4 cents, times 1.2, times 4.

The value of Class II butterfat used to make butter is computed as follows: Price per pound of New York 92-score butter, times 1.2, times 4. This value shall not apply if it is more than the value of other Class II butterfat.

Skim milk value is any plus amount computed as follows: Average price per pound of nonfat dry milk solids (roller process, quotations for "other brands" animal feed and human consumption in carlots, bags or barrels, as published in "Producers' Price Current"), less 4.5 cents, times 7.5.

Premium for Grade A Milk - 40 cents if bacteria is below 10,000 per c.c.; 25 cents for 10,000 to 25,000. This premium is multiplied by the ratio of Grade A milk sold either in fluid form or as products manufactured from Grade A milk to the total quantity of Grade A milk received from producers. Two cents additional butterfat differential shall be paid for each one-tenth of one percent in the butterfat test of such milk above 3.7 percent.

Butterfat Differentials:

Class Prices - Average of cream quotations (used in Class II price), divided by 334.8, minus 0.67 cent.

In the case of butterfat in Class II used to make butter, the butter-fat differential is the applicable butterfat value, divided by 40.

Producer Price - 5 cents.

Location Differentials:

Class I Price - 7 cents per hundredweight for milk delivered to plants in 11-16 mile zone plus 2 cents for each additional 5 miles up to 31 miles. Thirty-four cents per hundredweight for milk delivered to plants in 31-40 mile zone, plus one cent for each additional 10 miles up to a maximum of 64 cents.

Class II Price - 7 cents per hundredweight for milk delivered to plants in the 11-16 mile zone plus 2 cents for each additional 5 miles up to 31 miles. Seven cents for milk delivered to plants in the 31-70 mile zone plus one cent for each additional 70 miles.

Producer Price - Handlers deduct from payments to producers 7 cents per hundredweight for milk delivered to plants in the 11-16 mile zone, plus 2 cents for each additional 5 miles up to 31 miles. For milk delivered to plants beyond 31 miles, the deduction is computed as follows: Class I location differential times the percentage of handler's sales of producer milk in Class I, plus the Class II differential times the percentage of handler's sales of producer milk in Class II, plus 3 cents.

Method of Accounting for Milk:

Weight of milk, cream or skim milk used in the products of each class.

Type of Pool:

Individual handler, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk or skim milk moved from one handler's plant to the plant of another handler is Class I. Handlers are permitted to classify differently by submitting written agreement to the market administrator.

Outside Purchases:

Milk or skim milk received during the months July through March may be pro rated by the receiving handler in accordance with the class use of producer milk. Handler may, if he wishes, allocate a greater proportion of outside milk to Class II. In the absence of allocation by the handler, the ma rket administrator will allocate outside milk to Class II to the extent that handler has utilization in that class.

Milk or skim milk during the months April through June is allocated to Class II, unless receiving handler does not have sufficient producer milk to cover his Class I utilization.

Cream received from outside sources is allocated to Class II.

Outside Sales:

Milk moving as milk or skim milk to the plant of a nonhandler is Class I, unless a written agreement as to other utilization is presented to the market administrator subject to verification by him. Cream disposed of to a nonhandler is Class II.

The price to be paid by handlers for Class I milk disposed of outside the marketing area shall be, as ascertained by the market administrator, such price as is being paid to farmers in the outside market for milk of equivalent use, less the applicable transportation allowance in such outside market up to 64 cents. If the market administrator is unable to determine such a price, the Class I price shall apply.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Peports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 2 cents per hundredweight.

Special Producer Provisions:

The order does not require that deductions, as authorized by members, be turned over to cooperative associations.

No provision is made for marketing service charges to be deducted for non-members.

Cincinnati, Ohio

Marketing Area:

City of Cincinnati and Hamilton County, Ohio.

Handler:

Person who handles milk which is disposed of as milk in the marketing area.

Producer:

Person who produces milk which is received at a plant from which, under approval of health authorities, milk is disposed of for consumption as milk in the marketing area.

Classification:

Class I - Fluid milk, milk drinks (plain or flavored), and unaccounted-for milk.

Class II - Cream, creamed cottage cheese, and creamed butter-milk.

Class III - Milk products other than those specified in Classes I and II, and shrinkage not over 2.5 percent of receipts from producers.

Class Prices (4 percent butterfat):

Class I - Class III price plus 1.15.

Class II - Class III price plus 70 cents.

Class III - The Class III price is the higher of:

(1) Average of prices paid for 4 percent milk at the following plants:

M.& R. Dietetic Laboratories, Inc.
Carnation Milk Company
Nestle's Milk Products, Inc.
Nestle's Milk Products, Inc. (Osgood
Milk Co.)
Carnation Milk Co.

Chillicothe, Ohio Hillsboro, Ohio Greenville, Ohio

Osgood, Indiana Maysville, Kentucky

2-Cincinnati, Ohio

(2) Average price per pound of Chicago 92-score butter, times 4, times 1.2, plus 3.5 cents for each half-cent that the average price per pound of nonfat dry milk solids is above 5.5 cents (carlot, human consumption, spray and roller prices, f.c.b. manufacturing plant in Chicago area).

Butterfat Differentials:

Class Prices - For each one-tenth of one percent variation from 4 percent butterfat the differential to handlers is computed as follows: Frice per pound of Chicago 92-score butter, times 1.2, divided by 10.

Producer Price - For each one-tenth of one percent variation in the average test of a producer's milk from 3.5 percent butter-fat the differential is as follows: 5 cents when the price per pound of Chicago 92-score butter is more than 40 cents, but not more than 50 cents, plus or minus 1 cent for each 10-cent range in the butter price above or below the 40 - 50 cent range.

Location Differentials:

None.

Method of Accounting for Milk:

Class I computed on a volume basis plus the 3.5 percent milk equivalent of unaccounted-for butterfat. Class II and Class III computed by converting butterfat used in these classes to 3.5 percent milk equivalent. Class volumes are reconciled with producer receipts by adding to or subtracting from Class III.

Type of Pool:

Market-wide, monthly pool without base rating plan or new producer clause.

Interhandler Transfers:

Milk or skim milk disposed of by a handler to another handler is Class I, and cream so disposed of is Class II. Handlers are permitted to classify differently by submitting statement signed by both buyer and seller to the market administrator.

3- Cincinnati, Ohio

Outside Purchases:

"Emergency milk" (milk or skim milk received by a handler from sources other than producers under a permit from health authorities) is subtracted on a pro rata basis from each class.

Other outside milk is deducted from the class in which it is used but the handler must pay the difference between the value as used and the Class III price.

Outside Sales:

Milk or skim milk disposed of by a handler to a nonhandler who distributes milk or manufactures milk products is considered Class I, and cream so disposed of is considered Class II. Handler is permitted to classify differently by submitting statement signed by both buyer and seller, subject to verification by the market administrator.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions, Reports may be required by the market administrator

Expense of Administration:

Handlers pay administrative costs not to exceed 2 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A market service charge not to exceed 4 cents is deducted for non-members.

Classified cooperative associations receive payments out of pool at the rate of .5 cent for bargaining associations and at the rate of 3 cents for plant operating associations.

St. Joseph County, Indiana

Marketing Area:

St. Joseph County, Indiana, except the townships of Olive, Liberty, and Lincoln.

Handler:

Person who receives milk which is disposed of as milk in the marketing area.

Producer:

Person who, under a dairy farm inspection report issued by the health authorities of either South Bend or Mishawaka, Indiana, produces milk which is received at an approved plant for disposition as milk in the marketing area.

Classification:

Class I - Fluid milk, milk drinks (plain or flavored), and unaccounted-for milk. Bulk milk disposed of to bakeries, hotels, restaurants, and other retail food establishments.

Class II - Sweet or sour cream and cottage cheese.

Class III - Frozen cream, ice cream, cheese (except cottage cheese), ice cream mix, and any milk product not in Class II and Class IV.

Class IV - Butter and shrinkage not over 3 percent of receipts from producers, (including handler's own production).

Class Prices (4 percent butterfat):

A basic formula price is used for both Class I and Class II prices. The basic formula price is the highest of:

- (1) Class III price
- (2) Class IV price
- (3) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the average price per pound of Plymouth "Twins" (or "Cheddars"), divided by 7, times 1.3, times 4.

Class I - Basic formula price plus 65 cents.

Class II - Basic formula price plus 40 cents.

Class III - The higher of:

(1) Average of prices paid for 4 percent milk at the following plants:

> Goshen Milk Condensing Company Goshen, Indiana Richfield Creamery Company New Paris Creamery Company New Paris, Indiana

Warsaw, Indiana

(If any one of the above plants does not report, the average price paid for 3.5 percent milk by the eighteen evaporated milk plants specified in the Chicago order, plus 22 cents, is used.)

(2) Class IV price.

Class IV - Price per pound of Chicago 92-score butter, times 4, times 1.2, plus or minus 3.5 cents for each half-cent that the price per pound of nonfat dry milk solids is above or below 5.5 cents (carlot, spray and roller process, human consumption, f.o.b. plants in Chicago area).

Butterfat Differentials:

Class Prices - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Producer Price - Same.

Location Differentials:

None.

Method of Accounting for Milk:

Class I computed on a volume basis plus the 4 percent milk equivalent of unaccounted-for butterfat. Class II, Class III, and Class IV computed by converting butterfat used in these classes to 4 percent milk equivalent. Class volumes are reconciled with producer receipts by adding to or subtracting from Class IV.

Type of Pool:

Market-wide monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk moved from one handler's plant to the plant of a second handler which has manufacturing facilities shall be Class I milk, if it leaves the second handler's plant as fluid milk, and Class II milk if it leaves the second handler's plant as cream. If the second handler has no manufacturing facilities the milk may be classified according to its utilization by a third handler.

Outside Purchases:

"Emergency milk" (milk, skim milk, or cream received from sources other than producers or handlers under a permit from health authorities) is deducted pro rata from each class.

Other outside milk is considered as Class IV milk and handler must pay the difference between its class value as actually utilized and the Class IV price.

Outside Sales:

Milk and cream disposed of by a handler to a plant of a non-handler who distributes fluid milk is considered as Class I and Class II, respectively, to the extent of the nonhandler's utilization of milk in these classes. If proof is furnished by the selling handler that the milk or cream was utilized otherwise, it shall be classified accordingly.

Milk or cream disposed of by a handler to a plant of a non-handler who does not distribute fluid milk is classified according to its actual use.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 4 cents per hundredweight.

4- St. Joseph County, Indiana

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 3 cents is deducted for non-members.

Wichita, Kansas

Marketing Area:

Wichita and Eastborough, Kansas, and specified townships in Sedgwick County, Kansas.

Handler:

Person who receives milk which is disposed of as Class I or Class II milk, in the marketing area.

Producer:

Person who, in conformity with health requirements, produces milk which is received at the plant of a handler from which milk is disposed of as Class I milk or Class II milk in the marketing area.

Classification:

Class I - Milk, buttermilk, flavored milk drinks (more than one percent butterfat) and unaccounted-for milk.

Class II - Cream, any cream product in fluid form (containing 6 percent or more butterfat), creamed cottage cheese, aerated cream, eggnog, and flavored milk drinks (not more than one percent butterfat).

Class III - Nilk products other than those specified in Class II, and shrinkage not over 3 percent of total receipts (except receipts from other handlers).

Class Prices (3.8 percent butterfat):

A basic formula price is used for both Class I and Class II prices. The basic formula price is the higher of:

(1) Average of prices paid for 3,5 percent milk at 18 specified plants, divided by 3.5, multiplied by 3.8. (See plants used in the basic formula price for the Chicago order.)

(2) Price per pound of Chicago 92-score butter, times 3.8, times 1.2, plus or minus 3.5 cents for each full half-cent that the price of nonfat dry milk solids varies from 5.5 cents per pound (carlot, human consumption, f.o.b. plants in Chicago area).

Class I - Basic formula price plus 80 cents.

Class II - Basic formula price plus 55 cents.

Class III - Average of prices paid for ungraded milk containing 3.8 percent butterfat at the following plants:

DeCoursey Cream Company
Decoursey Cream Company
Blackwell Cheese Company
Steffens Ice and Ice Cream Co.

Wichita, Kansas Anthony, Kansas Blackwell, Oklahoma Arkansas City, Kansas

In no event shall the Class III price be less than the price paid at the Wichita plant listed above.

Butterfat Differentials:

Class Prices - Chicago 92-score butter, times 1.2, divided by 10.

Producer Price - Same

Location Differentials:

None.

Method of Accounting for Milk:

Class I computed on a volume basis plus the 3.8 percent milk equivalent of any butterfat not accounted for. Class II and Class III computed by converting butterfat to 3.8 percent milk equivalent. Class volumes reconciled with producer receipts by adding to or subtracting from Class III.

Type of Pool:

Market-wide, monthly pool with base rating plan. A new producer is assigned a temporary base which is computed by multiplying his deliveries by the percentage that base deliveries are of total deliveries in the market.

Interhandler Transfers:

Milk disposed of as milk, by a handler who receives milk from producers, to another handler is Class I milk, and cream so disposed of is Class II. If the receiving handler also

receives milk from producers, the milk or cream may be classified in accordance with its actual utilization as reported by the selling handler or the receiving handler.

Milk or cream disposed of by a producer-handler to a handler who receives milk from producers is classified in the lowest use classification of the receiving handler.

Outside Purchases:

Considered Class III. A handler must pay difference between Class III price and the class price as used. This provision does not apply if the handler proves that outside milk or butterfat was used only to the extent that milk of producers was not available.

Outside Sales:

Milk disposed of as milk or cream by a handler to a nonhandler who distributes fluid milk and cream shall be classified in the highest use classification of the nonhandler after subtracting, in series beginning with the highest use classification, the receipts of milk by such nonhandler direct from dairy farmers.

Milk or cream disposed of by a handler to the plant of a nonhandler from which no milk is disposed of as milk or cream, shall be classified in accordance with its actual utilization.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 4 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 4 cents is deducted for non-members.

Suburban Chicago (Illinois-Indiana)

Marketing Area:

Illinois - Specified territory in Lake, Kane, Du Page, and Will Counties.

Indiana - Specified territory in Lake County.

Handler:

Person who receives milk at a plant where it is bottled for disposition as Class I milk in the marketing area. This definition does not include any person with respect to milk subject to another Federal order.

Producer:

Person who produces milk which is received directly at a plant where fluid milk is bottled for disposition as Class I milk in the marketing area. This definition does not include any person with respect to milk which is subject to another Federal order.

Classification:

Class I - Fluid milk, buttermilk, flavored milk, flavored milk drinks, fluid skim milk (disposed of through routes, stores, or vendors), and unaccounted-for milk. If any of these products are disposed of in bulk to bakeries, soup companies, and candy manufacturers, they are classified in Class III.

Class II - Cream (sweet or sour), fluid cream products (more than 6 percent butterfat), butter cream, filled cream, eggnog, yoghurt, cottage cheese, andy any other milk product similar to any of those named. Fluid cream, fluid cream products, filled cream, and cottage cheese disposed of in bulk to bakeries, soup companies, and candy manufacturers are classified in Class III.

Class III - Milk products not in other classes, and products disposed of in bulk to bakeries, soup companies, and candy manufacturers.

Class IV - Butter, cheese (except cottage cheese), and shrinkage (not over 0.5 percent of direct receipts from producers plus 1.5 percent of milk, skim milk, and cream received in bulk from all sources which were not disposed of in bulk to another handler or to an unapproved plant.

Class Prices (3.5 percent butterfat):

A basic formula price is used for Class I, Class II, and Class III prices. The basic formula price is the same as that which is provided for the Chicago order (Order No. 41).

Class I - Basic formula price plus 70 cents (50 cents in May and June).

A special price (10 cents lower than the above price) is provided for milk not labeled Grade A nor derived from receipts from which milk labeled Grade A is obtained.

Class II - Basic formula price plus 32 cents.

The price of milk not labeled Grade A, nor derived from receipts from which milk labeled Grade A is obtained, is 10 cents lower than the above price.

Class III - Same as basic formula price.

Class IV - Formula based on butter and dry milk solids which is used in basic formula price.

Butterfat Differentials:

Class Prices - Price per pound of Chicago 92-score butter, times 1.2.divided by 10.

Producer Price - Same.

Location Differentials:

Class I - For milk delivered at plants more than 70 miles from Chicago: 10 cents, plus 2 cents for each 15 miles (or part thereof) that the plant is beyond 70 miles.

-Class II - For milk delivered at plants more than 70 miles from Chicago: 10 cents, plus .25 cent for each additional 15 miles (or part thereof) beyond 70 miles. If the actual freight rate (l.c.l. for cream in 40-quart cans) is higher than .25 cent per hundredweight of milk, such actual freight rate shall be allowed up to a maximum of .5 cent.

Producer Price - 12 cents for milk received at plants in 71-85 mile zone, plus 2 cents for each 15-mile zone up to 175 miles, plus .5 cent for each 15-miles zone beyond 175 miles.

Method of Accounting for Milk:

Class I computed on a volume basis plus the 3.5 percent milk equivalent of unaccounted-for butterfat. Class III, Class III, and Class IV computed by converting butterfat used in these classes to 3.5 percent milk equivalent. Class volumes are reconciled with producer receipts by adding to or subtracting from Class IV.

Type of Pool:

Individual handler, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Fluid milk or fluid skim milk is Class I and fluid cream is Class II, unless a written statement as to other utilization is made by both buyer and seller.

Outside Purchases:

"Emergency milk" (milk received during September through January from sources other than producers, handlers or persons considered handlers under another order) is deducted pro rata from each class.

Other outside milk is deducted in series beginning with the lowest price class.

Outside Sales:

Milk disposed of by a handler in the form of milk or cream to the plant of a nonhandler which manufactures ice cream, ice cream mix, evaporated or condensed milk, butter, milk powder, or cheese (except cottage cheese), shall be classified in accordance with its actual use. If the plant of the nonhandler did not manufacture any of these products, milk disposed of to such plants as fluid milk is classified as Class I milk, and cream so disposed of is classified as Class II milk.

Mills sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 4 cents per hundredweight.

Special Producer Provisions: (La Balletalle Balletalle Balletalle Balletalle)

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 3 cents is deducted for non-members.

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Clinton, Iowa

Marketing Area:

City of Clinton and part of Camanche Township in Clinton County, Iowa.

Handler:

Person who receives milk which is disposed of as Class I milk in the marketing area.

Producer:

Person who, under certification by health authorities of the City of Clinton, produces milk which is received at a plant from which Class I milk is disposed of in the marketing area.

Classification:

Class I - Fluid milk, skim milk, buttermilk, flavored milk, flavored mikk drinks, cream, cream products in fluid form (over 6 percent butterfat), and unaccounted-for milk.

Class II - Milk products other than those specified in Class I and Class III.

Class III - Butter, Cheddar cheese, casein, skim milk used as animal feed, and shrinkage not over 3 percent of producer receipts.

Class Prices (3.5 percent butterfat):

Class I - Class II price plus 50 cents.

Class II - The Class II price is the higher of:

(1) Average of prices paid for 3.5 percent milk at 9 specified plants (plants are the same as those used in computing the basic formula price for the Dubuque, Iowa, order).

(2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the average price per pound of Plymouth Twins, divided by 7, times 1.3, times 3.5.

Class III - Price per pound of Chicago 92-score butter, times 3.5, times 1.2, plus an amount computed as follows: Average price per pound of casein (carlot, unground, f.o.b. drying plants in the Chicago area), minus 6 cents, times 2.3.

Emergency Provision - Upon a finding by the Secretary of Agriculture that the Class I price computed for any delivery period is not in the public interest, such price shall be the same as the Class I price for the previous delivery period.

Butterfat Differentials:

<u>Class I Price</u> - Price per pound of Chicago 92-score butter, times 1.4, divided by 10.

Class II Price - Price per pound of Chicago 92-score butter, times 1.25, divided by 10.

Class III Price - Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, divided by 10.

Producer Price - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Location Differentials:

None.

Method of Accounting for Milk:

Weight of milk, skim milk, and cream used in the products of each class.

Type of Pool:

Market-wide, monthly pool, without base rating plan or new producer clause.

Twenty cents per hundredweight is deducted from the blended price during May and June. A third of these deductions is returned to producers during each of the months of September, October, and November by adding to the total value of pooled milk.

Interhandler Transfers:

Milk disposed of by a handler in the form of milk, skim milk, or cream, to the plant of another handler is Class I, unless the receiving handler (other than a producer-handler) is able to prove utilization in a lower class.

Outside Purchases:

"Emergency milk" is deducted pro rata from each class. "Emergency milk" is milk received from outside sources during a period when the market administrator determines that the handler is otherwise unable to obtain his Class I requirements.

Other outside milk is deducted in series beginning with the lowest price class in which the handler has utilization.

Outside Sales:

Milk, skim milk, and cream disposed of by a handler to a non-handler who distributes milk, skim milk, or cream in fluid form, is classified as Class I unless a lower use can be proved.

Milk, skim milk, and cream disposed of by a handler to a non-handler who does not distribute milk, skim milk, and cream in fluid form is classified as Class II, unless the market administrator determines that utilization was in another class.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 5 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 5 cents is deducted for non-members.

Dayton-Springfield, Ohio

Marketing Area:

Cities of Dayton, Oakwood, and Springfield and specified town-ships in Greene, Montgomery, and Clark Counties, all in Ohio.

Handler:

Person who receives milk which is disposed of as Class I milk in the marketing area.

Producer:

Person who, in conformity with health requirements, produces milk which is received at a plant from which milk is disposed of as Class I milk in the marketing area.

Classification:

Class I - Fluid milk, skim milk, buttermilk, flavored milk, flavored milk drinks, and unaccounted-for milk.

Class II - Sweet or sour cream, any milk and cream mixture (containing & to 1& percent butterfat), and cottage cheese.

Class III - Milk products other than those specified in Class I or Class II, skim milk dumped or disposed of for livestock feeding, and shrinkage not over 2.5 percent of producer receipts.

Class Prices (skim milk and butterfat):

A basic formula price is used in the determination of prices of skim milk and butterfat used in Class I and Class II. The basic formula price is the highest of:

- (1) Average of prices paid for 3.5 percent milk at 18 specified plants (see list used for basic formula price in Chicago order).
- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the price per pound of Plymouth Twins (or Cheddars) adivided by 7, times 1.3, times 3.5.

(3) Price per pound of Chicago 92-score butter, times 1.2, times 3.5, plus an amount computed as follows: Price per pound of nonfat dry milk solids, minus 5.5 cents, times 8.5 (carlots, roller process, human consumption, f.o.b. Chicago).

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Class I - When the basic formula price is under \$2.0625, the prices per hundredweight for skim milk and butterfat in Class I milk shall be \$0.953 and \$51.50, respectively. For each 22.5 cent range in the basic formula price above \$2.0625 the prices per hundredweight for skim milk and butterfat in Class I milk increase by \$0.047 and \$4.50, respectively.

Class II - When the basic formula price is less than \$2.0625 the prices per hundredweight for skim milk and butterfat in Class II milk shall be \$0.849 and \$46.50, respectively. For each 22.5 cent range in the basic formula price above \$2.0625 the prices per hundredweight for skim milk and butterfat in Class A milk increase by \$0.047 and \$4.50, respectively.

Class III - The price per hundredweight of skim milk is computed as follows: Average price per pound of nonfat dry milk solids, minus 5.5 cents, times 8.5 (carlots, roller process, human consumption, f.o.b. Chicago).

The price per hundredweight of butterfat used in Class III is computed as follows: Price per pound of Chicago 92-score butter, times 1.2, times 100. This price is reduced by \$3.60 for butterfat used to produce butter, and it is increased by \$5.00 for butterfat used to produce ice cream and related products.

Emergency Provision - Upon a finding by the Secretary of Agriculture that the Class I or Class II price computed for any delivery period is above a level which is in the public interest, such price shall be the same as the Class I or Class II price for the preceding delivery period.

Butterfat Differentials:

Class Prices - None because skim milk and butterfat are priced separately.

Producer Price - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Location Differentials:

None.

Method of Accounting for Milk:

Weights of butterfat and skim milk are computed separately as used in each class.

Type of Pocl:

Market-wide, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk disposed of as fluid milk, as milk products in fluid form, or as cream, to another handler (who receives milk from producers), is classified as agreed upon by both handlers. If transferred to a handler who receives no milk from producers, fluid milk, and milk products in fluid form, are flass I, and fluid cream is Class II.

Outside Purchases:

Deducted in series beginning with the lowest price class.

Outside Sales:

Milk transferred by a handler to a nonhandler in the form of milk or other Class I products is Class I, and if transferred as cream it is Class II. If statements are signed by buyer and seller, the milk or cream is classified in accordance with its actual use, subject to verification.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2 cents per hunaredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 5 cents is deducted for non-members.

A special payment is made to qualified cooperative associations at the rate of one-half cent per hundredweight on milk marketed by them on behalf of their members and on which reports and payments have been made as required by the order.

Tri-State (West Virginia, Ohio, and Kentucky)

Marketing Area:

Kentucky - City of Ashland.

West Virginia - Cities of Huntington and Parkersburg.

Ohio - Cities of Marietta, Ironton, and Gallipolis; and Athens and Scioto Counties.

Handler:

Person who operates a "fluid milk plant."

A "fluid milk plant" means a plant out of which a route is operated wholly or partially within the marketing area (exclusive of portions of building or facilities used for handling milk which is required to be kept physically separated from Class I milk).

Producer:

Person who, under certification of health authority (if required by community for which his milk is produced), produces milk received; (1) at a "fluid milk plant", (2) at a nonfluid milk plant by diversion during April, May, June, or July from a fluid milk plant, or (3) by an association in its capacity as a handler.

Classification:

Class I - Fluid milk, skim milk (except in Class III), flavored milk, flavored milk drink, and unaccounted-for milk.

Class II - Cream, cream and milk mixtures (not less than 6 percent butterfat) and buttermilk (except in Class III).

Class III - (1) Milk products not in Class I or Class II; (2) dumped or disposed of for livestock feeding as skim milk or buttermilk; (3) disposed of as bulk skim milk to manufacturers of candy, soup, or bakery products who do not dispose of milk in fluid form; and (4) plant shrinkage not over 2 percent of producer milk, and actual plant shrinkage of other source milk.

Class Prices (3.5 percent butterfat):

A basic formula price is used for Class I, Class II, and Class III prices. The basic formula is the highest of :

- (1) Average of prices paid for 3.5 percent milk at 18 specified plants (see list used for basic formula price in Chicago order).
- (2) Price per pound of Chicago 92-score butter, plus 2.4 times the average price per pound of Twins (or Cheddars), divided by 7, times 1.3, times 3.5.
- (3) Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 3.5, plus an amount computed as follows: Price per pound of nonfat dry milk solids (spray and roller process, human consumption, carlots, f.o.b. Chicago area plants), minus 5.5 cents, times 8.5, times .965.

<u>Class I</u> - Basic formula price plus 95 cents. Class I price for other than Huntington District plants is 20 cents less.

Huntington District is portion of marketing area within cities of Ashland, Kentucky; Huntington, West Virginia; and Ironton and Gallipolis, Ohio.

<u>Class II</u> - Basic formula price plus 65 cents. Class II price for other than Huntington District plants is 20 cents less.

Class III - Basic formula price.

Butterfat Differentials:

<u>Class I</u> - Price per pound of Chicago 92-score butter, times 1.2, divided by 10, plus one cent.

Class II - Class I differential minus one-half cent.

Class III - Class I differential minus one cent.

<u>Producer Frice</u> - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Location Differentials:

Suspended.

Method of Accounting for Milk:

Weight of skim milk and butterfat computed separately as used in each class.

Type of Pools

Market-wide, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Skim milk or butterfat disposed of by a handler to another handler in the form of fluid milk or other Class I product is classified as Class I, and if so disposed of in the form of fluid cream or other Class II product it is classified as Class II. If a written statement signed by both handlers is submitted to the market administrator, the milk or cream is classified in accordance with its actual utilization (providing the receiving handler is not a producerhandler), subject to verification.

Outside Purchases:

Other source milk is deducted in series beginning with the lowest price class.

Outside Sales:

Skim milk or butterfat disposed of in the form of fluid milk or other Class I products by a handler to a plant other than a "Fluid milk plant" (see definition under Handler) is classified as Class I and if so disposed of in the form of fluid cream or other Class II products, it is classified as Class II. If a written statement signed by both buyer and seller is submitted to the market administrator, the milk or cream is classified in accordance with its actual utilization, subject to verification.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their cwn production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 4 cents per hundredweight.

Special Producer Provisions:

Deductions; as authorized by members, are turned over to cooperative associations.

A marketing service charge not to exceed 6 cents is deducted for non-members. . .

Minneapolis-St.Paul, Minnesota

Marketing Area:

Cities of Minneapolis, Robbinsdale, Wayzata, Columbia Heights, St. Paul, White Bear, West St. Paul, and South St. Paul. Also specified townships in Hennepin, Anoka, Ramsey, Washington, and Dakota Counties. The entire marketing area is in the State of Minnesota.

Handler:

Person who receives milk which is disposed of as Class I milk in the marketing area.

Producer:

Person who produces milk which is received at a plant (other than an "emergency source") from which skim milk or butterfat is disposed of as Class I milk in the marketing area.

An "emergency source" means a plant from which skim milk and butterfat are received at the plant of a handler, only during the months of July through November.

Classification:

Class I - Fluid milk, skim milk, cream (sweet or sour), cream and milk mixtures, cultured buttermilk, flavored milk drinks, and unaccounted-for milk.

<u>Class II</u> - Milk products not in Class I, and plant shrinkage not in excess of one percent of producer receipts.

Class Prices (3.5 percent butterfat):

A basic formula price is used for the Class I price. The basic formula price is the highest of:

(1) Price per pound of New York 93-score butter, times 3.5, times 1.2, plus an amount computed as follows: Price per pound of nonfat dry milk solids (spray and roller process, human consumption, carlot, f.o.b. Chicago area manufacturing plants), times 7.7, minus 42 cents.

- (2) Average of prices paid for 3.5 percent milk at 18 specified plants (see list used for basic formula price in Chicago order).
- (3) Price per pound of New York 93-score butter, times 6, plus 2.4 times the price of Twins (Cheddars), divided by 7, times 1.3, times 3.5.

Class I - January through April - basic formula price plus 50 cents.

May and June - Basic formula price plus 40 cents.

July through December - Basic formula price plus 70 cents.

Class II - The Class II price is computed in accordance with formula (1) used in the basic formula price.

Emergency Provision - Upon a finding by the Secretary of Agriculture that the Class I price computed for any delivery period is not in the public interest, such price shall be the same as the Class I price for the preceding delivery period.

Butterfat Differentials:

Class I Price - Price per pound of New York 93-score butter, times 1.25, divided by 10.

Class II Price - Price per pound of New York 93-score butter, times 1.2, divided by 10.

<u>Producer Price</u> - Price per pound of New York 93-score butter, times 1.2, divided by 10.

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Location Differentials:

Class Prices - For Class I milk delivered to a handler's plant located outside the marketing area, the differential is one-half cent for each full mile that such plant is distant from the edge of the marketing area.

Producer Price - Same as Class I price differential.

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Method of Accounting for Milk:

Weight of skim milk and cream utilized in the products of each class.

Type of Pool:

Individual handler, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk disposed of by a handler to another handler in the form of milk, skim milk, or cream is classified as Class I milk. If the receiving handler is not a producer-handler, the milk or cream may be classified in accordance with its actual usage, if a statement is furnished signed by both buyer and seller.

Outside Purchases:

Outside milk, including milk received by a handler from an "emergency source" (see producer definition), is classified in such handler's lowest use classification.

Outside Sales:

Milk disposed of by a handler to a nonhandler is classified in accordance with the highest use classification remaining after subtracting, in series beginning with the highest use classification, receipts by such nonhandler direct from dairy farmers. Milk moved to a plant of a nonhandler located more than 100 miles from the marketing area, shall be Class I if moved in the form of milk or skim milk, and Class II if moved in any other form.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 2 cents per hundredweight.

Special Producer Provisions:

A marketing service charge not to exceed 2 cents is deducted for producers who are not members of cooperative associations.

No provision is made for authorized membership deductions to be turned over to cooperative associations.

FEDERAL MILK ORDER NO. 74

Columbus, Ohio

Marketing Area:

Cities of Columbus and Bexley and specified townships in Franklin County, Ohio.

Handler:

Person who receives milk from producers at a "fluid milk plant."

The term "fluid milk plant" is defined as the premises and parts of the building and facilities used in the receipt and processing or packaging of milk which is disposed of as Class I milk in the marketing area. This excludes any part of building or facilities used for handling milk which the health authorities require to be kept separate from milk sold as Class I milk in the marketing area.

Producer:

Person who produces (1) under a dairy farm permit issued by appropriate health authorities, milk which is received at a "fluid milk plant", or (2) milk received as part of a supply of a "fluid milk plant" not required by appropriate health authorities to obtain milk from farms under dairy farm permits.

Classification:

Class I - Fluid milk, skim milk, buttermilk, flavored milk; flavored milk drinks, and unaccounted-for milk.

Class II - Cream (sweet or sour), cream and milk mixtures (more than 6 percent butterfat), and cottage cheese.

Class III - Condensed milk, and condensed skim milk (except evaporated milk or skim milk in hermetically sealed cans), ice cream, ice cream mix, ice cream novelties, ice sherbets, imitation ice cream, or frozen cream.

Glass IV - Milk products other than those in Classes I, II, and III, milk disposed of for livestock feeding, and shrinkage not over 2.5 percent of receipts, excluding receipts from other handlers.

Class Prices (skim milk and butterfat):

A basic formula price is used for Class I, Class II, and Class III prices. The basic formula price is the higher of:

- (1) Average of prices paid for 3.5 percent milk at 18 specified plants, (see list used for basic formula price in Chicago order).
- (2) Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 3.5, plus an amount computed as follows: Price per pound of nonfat dry milk solids (carlots, roller and spray process, f.o.b. Chicago area plants), minus 4 cents, times 8.5, times .965.
- Class I When the basic formula price is under \$2.00, the prices per hundredweight for skim milk and butterfat in Class I milk shall be \$0.781 and \$50.00, respectively. For each 25-cent range in the basic formula price above \$2.00, the prices per hundred-weight for skim milk and butterfat increase by \$.052 and \$5.00, respectively.
- Class II When the basic formula price is less than \$2.00, the prices per hundredweight for skim milk and butterfat in Class II milk shall be \$0.729 and \$45.00, respectively. For each 25-cent range in the basic formula price above \$2.00, the prices per hundredweight for skim milk and butterfat increase by \$.052 and \$5.00, respectively.
- Class III When the basic formula price is less than \$2.00, the prices per hundredweight for skim milk and butterfat in Class III milk shall be \$.656 and \$43.00, respectively. For each 25-cent range in the basic formula price above \$2.00, the prices per hundredweight for skim milk and butterfat increase by \$.052 and \$5.00, respectively.

The prices for skim milk and butterfat in Class III milk shall not be less than the prices of skim milk and butterfat (other than butter) in Class IV milk.

Class IV - The price per hundredweight for skim milk is the average price per pound of nonfat dry milk solids (carlots, toller and spray process, f.o.b. Chicago area manufacturing plants), minus 4 cents, times 8.5.

The price per hundredweight for butterfat used in Class IV shall be the price per pound of Chicago 92-score butter, times 120.

A special price for butterfat made into butter is provided. This price is \$3.60 less than the regular price of Class IV butterfat.

Emergency Provision - U. on a finding by the Secretary of Agriculture that the price of Class I milk of Class II milk computed for any delivery period is above a level which is in the public interest, such price shall be the same as the Class I or Class II price for the preceding delivery period.

Lutterfat Differentials:

<u>Class Prices</u> - None because skim milk and butterfat are priced separately in each class.

<u>Producer Price</u> - Price per pound of Chicago 92-score butter, times .12.

Location Differentials:

None.

Method of Accounting for Milk:

Weights of butterfat and skim milk are computed separately as used in each class.

Type of Pool:

Market-wide, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk disposed of as fluid milk, as milk products in fluid form, or as cream to another handler who receives milk from producers, is classified as agreed upon by both handlers.

Milk disposed of as fluid milk or as milk products in fluid form to a handler who receives no milk from producers is classified as Class I milk. Milk disposed of to such a handler in the form of fluid cream is classified as Class II milk.

Outside Purchases:

... "Emergency milk" (milk received from outside sources under a ... written permit from health authorities) is deducted pro rata from each class.

Other source milk (not emergency milk) is deducted in series beginning with the lowest priced class.

Outside Sales:

Milk disposed of by a handler to a nonhandler in the form of milk or other Class I product is Class I, and if disposed of as cream it is Class II. If statements are signed by both buyer and seller, classification may be made in accordance with actual use.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area, except that Class I milk or Class II milk sold in another marketing area covered by a Federal milk marketing agreement or order shall be paid for at any higher price which may be applicable in the other marketing area.

Producer -handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 4 cents is deducted for non-members.

FEDERALI MILK ORDER NO. 75

Cleveland, Ohio

Marketing Area:

Handler:

Person who: (1) operates a "pool plant"; or (2) operates a nonpool plant out of which milk, buttermilk, skim milk, flavored milk or milk drink, is disposed of:

- (a) on a route extending into the marketing area;
- (b) to a "pool plant" (under prescribed conditions).

A "pool plant" is defined as:

- (1) A bottling plant in the marketing area from which a route is operated;
- (2) A bottling plant outside the marketing area from which at least 10 percent of its route sales of milk, skim milk, buttermilk, flavored milk and flavored milk drinks are on routes operated wholly or partly within the marketing area.
 - (3) A plant supplying bottling plants described in (1) and (2) above (under prescribed conditions).

Producer:

Person who, under approval of health authority of any community in the marketing area, produces milk which is received at:

- (1) A pool plant out of which a route is operated in such community or which supplies milk to another pool plant out of which a route is operated in such community (but not including milk diverted from a nonpool plant for the account of such plant);
- (2) A nonpool plant during April, May, Jone, or July, for the account of a pool plant;
- (3) A pool plant for the account of another pool plant.

Classification:

Class I - Fluid milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream (sweet or sour), any milk and cream mixture, eggnog, milk products not in Class II or Class III, and unaccounted-for milk.

Milk disposed of to manufacturers of soup, candy, or bakery products, and milk disposed of to any retail establishment which sells milk in fluid form is classified as Class I milk.

Class II - Ice cream and ice cream type products, and storage cream.

Class III - Butter, butter oil, cheese (including cottage cheese), evaporated or condensed milk in hermetically sealed cans, casein, nonfat dry milk solids, dry whole milk, condensed or dry buttermilk, whey, powdered malted milk, lactose, skim milk or buttermilk disposed of for livestock feed, and shrinkage not in excess of 2 percent of producer receipts (plus actual shrinkage of other source milk).

Class Prices (for butterfat and skim milk):

A "basic formula" is used for both Class I and Class II prices. The 'basic formula price is the highest of:

- (1) Average of prices paid for 3.5 percent milk at 18 specified plants. (See list used for 'basic formula price under Chicago order.)
- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the average price per pound of Twins (or Cheddars), divided by 7, times 1.3, times 3.5
- (3) Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 3.5, plus an amount computed as follows: Price per pound of nonfat dry milk solids (carlots, human consumption, spray and roller process, f.o.b. manufacturing plants in Chicago area), minus 5.5 cents, times 3.5, times .965.
- Class I The prices per hundredweight of butterfat and skim
 milk in Class I are computed as follows:
- (1) Add to the basic formula price \$.85 during May and Jume, \$1.15 during October, November, and December, and \$1.00 during all other months.
- (2) The price of butterfat is the sum obtained in (1) above, multiplied by 20.

(3) The price of skim milk is the sum obtained in (1) above, minus .035 times the price of butterfat pursuant to (2) above, divided by .965.

Class II - The prices per hundredweight of butterfat and skim milk in Class II are computed as follows:

- (1) Add to the basic formula price 45 cents during May and June, 75 cents during October, November, and December, and 60 cents during all other months.
- (2) The price of butterfat is the sum obtained in (1) above multiplied by 20.
- (3) The price of skim milk is the sum obtained in (1) above, minus .035 times the price of butterfat pursuant to (2) above, divided by .965.

Class III - The price per hundredweight of butterfat in Class III is computed as follows: Price per pound of Chicago 92-score butter, times 120. The price per hundredweight of butterfat used to produce butter is \$3.60 less.

The price per hundredweight of skim milk in Class III is the average price per pound of nonfat dry milk solids (carlots, roller process, human consumption, f.o.b. manufacturing plants in Chicago area), minus 5.5 cents, times 3.5.

When either formula (1) or (2) used in computing the basic formula price results in a higher price than the price of 3.5 percent milk used in Class III by applying the prices of Class III butterfat and Class III skim milk set forth above, the price per hundredweight of skim milk used to produce bulk condensed milk, evaporated or condensed milk in hermetically sealed cans, cottage cheese, and powdered malted milk, shall be computed as follows:

- (a) Multiply by 20 the higher of the prices resulting from formula (1) or (2) used in the basic formula price;
- (b) Multiply the result obtained by .035;
- (c) Subtract such result from the higher of the prices computed pursuant to formula (1) or (2) used in the basic formula price;
- (d) Divide by .965.

Butterfat Differentials:

Class Prices - None, because butterfat and skim milk are classified and priced separately.

Producer Price - Price per hundredweight of butterfat (not used for butter) in Class III milk, divided by 1,000.

Location Differentials:

Class Prices - With respect to producer milk moved in the form of Class I or Class II product to the marketing area from a pool plant located outside the marketing area, the following deductions may be made: 15 cents per hundredweight at plants in the 30-45 mile zone, plus 2 cents for each 15-mile zone up to 90 miles, and plus an additional one cent for each 15-mile zone thereafter.

Producer Price - Same as above (applied to all milk).

Method of Accounting for Milk:

Weights of skim milk and cream are computed separately as utilized in the products of each class.

Type of Pool:

Market-wide, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk disposed of by a handler to another handler in the form of milk or other Class I product is classified in Class I, unless a statement as to other utilization is signed by both the buyer (who is not a producer-handler) and the seller.

Outside Purchases:

Handlers, other than producer-handlers, who operate a non-pool plant out of which a route is operated which extends into the marketing area, must pay the difference between the Class I prices for skim milk and butterfat disposed of in Class I products on such route and the higher of the Class III prices for skim milk and butterfat.

Under specified conditions, a handler operating a nonpool plant supplying milk, skim milk, buttermilk, flavored milk, of flavored milk drinks to a pool plant, must pay the difference

between the respective prices for Class I and Class III skim milk and butterfat.

Milk received at a plant subject to the pricing and payment provisions of another Federal order is exempt from the pricing and payment provisions of the Cleveland order.

Outside Sales:

Milk transferred in the form of Class I product other than cream, from a pool plant to a nonpool plant located more than 100 miles away, is classified in Class I.

Milk transferred less than 100 miles to a nonpool plant is classified in Class I, unless other utilization is indicated in a written statement signed by both buyer and seller, subject to verification.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative costs not to exceed 3 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 4 cents is deducted for non-members.

Special Handler Provisions:

Any unpaid obligation of a handler or of the market administrator under the order is increased by one-half of one percent on the first day of the calendar month next following the due date of such obligation, and on the first day of each calendar month thereafter until paid.

FEDERAL MILK MARKETING AGREEMENT NO. 68

Topeka, Kansas

Marketing Area:

Topeka and adjacent parts of Shawnee County.

Handler:

Person who receives milk which is sold as milk or cream in the marketing area.

Producer:

Person who produces milk in conformity with health requirements applicable for milk to be sold as milk in the marketing area.

Classification:

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Class I - Milk, chocolate milk, flavored milk drinks, cream, creamed cottage cheese, creamed buttermilk, and unaccounted-for milk.

<u>Class II</u> - Milk products other than those in Class I and shrinkage within reasonable limits.

Class Prices:

. Class I - 49.25 cents per pound butterfat. (Actual price paid is substantially higher).

Class II - A price per pound of butterfat computed by adding 5 cents to the price of Chicago 92-score butter.

Butterfat Differentials:

No differentials used because class prices are on a butterfat basis,

Location Differentials:

None.

Method of Accounting for Milk:

Amount of butterfat disposed of in each class is computed.

Type of Pool:

Market-wide, semi-monthly pool with base rating plan. No new producer clause is provided.

Outside Purchases:

No provision.

Outside Sales:

Sales to nonhandlers are presumed to be Class I unless proof is furnished of use in Class II.

Expense of Administration:

Handlers pay administrative costs not to exceed 3 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to cooperative associations.

A marketing service charge not to exceed 3 cents is deducted for non-members.